

REORGANIZATION PLAN SUBMITTAL SHEET

(Each municipality in a School Union must be indicated separately.)

School Administrative Units Included in APPROVED Notice of Intent	School Administrative Units Submitting Reorganization Plan
Bancroft	Bancroft
Hersey	Hersey
Moro Plantation	Moro Plantation
Orient	Orient
S.A.D. #14	S.A.D. #14
S.A.D. #25	S.A.D. #25
S.A.D. #29	S.A.D. #29
S.A.D. #70	S.A.D. #70
C.S.D. #9	C.S.D. #9

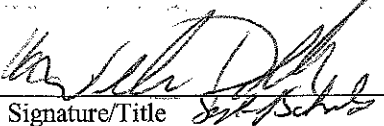
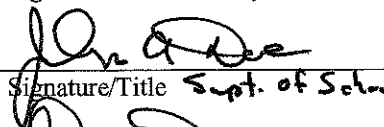
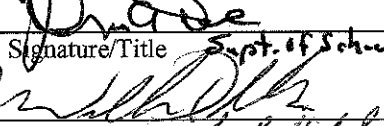
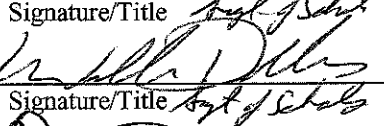
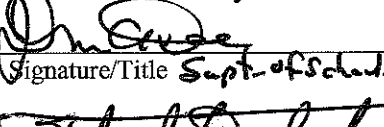
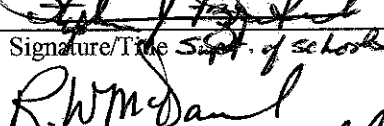
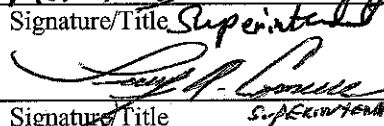
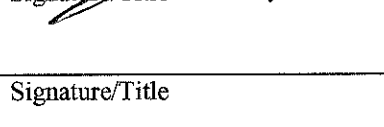
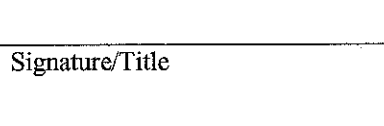
Contact Information:

RPC Chairs

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Date Plan Submitted: August 15, 2008

Proposed RSU Operational Date: July 1, 2009

 Signature/Title Supt. of Schools	8-15-08 Date	Bancroft SAU
 Signature/Title Supt. of Schools	8/15/08 Date	Hersey SAU
 Signature/Title Supt. of Schools	8/15/08 Date	Moro Plantation SAU
 Signature/Title Supt. of Schools	8-15-08 Date	Orient SAU
 Signature/Title Supt. of Schools	8-15-08 Date	S.A.D. #14 SAU
 Signature/Title Supt. of Schools	8/15/08 Date	S.A.D. #25 SAU
 Signature/Title Supt. of Schools	Aug 15, 08 Date	S.A.D. #29 SAU
 Signature/Title Superintendent	Aug 15, 08 Date	S.A.D. #70 SAU
 Signature/Title Superintendent	8/15/08 Date	C.S.D. #9 SAU

Signature/Title

Date

SAU

Signature/Title

Date

SAU

Signature/Title

Date

SAU

Reorganization Plan Cover Sheet
(Please attach Reorganization Plan as Exhibit A)

Required Elements							
Law Reference Item Number Sub- Chapter 2	Item	N/A	Complete	In Progress	Not Yet Started	Identified Barrier ¹	Need Assistance ²
3.A(1)	SAUs included in RSU		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(2)	Size of governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Composition of governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Apportionment of governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(3)	Method of voting of the governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(4)	Composition of local school committees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Powers of local school committees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Duties of local school committees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(5)	Disposition of real & personal school property		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(6)	Disposition of existing school indebtedness (if not using provisions of section 1506)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disposition of lease-purchase obligations (if not using provisions of section 1506)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(7)	Assignment of school personnel contracts		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Assignment of school collective bargaining agreements		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Assignment of other school contractual obligations		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(8)	Disposition of existing school funds and existing financial obligations		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(9)	Transition plan that addresses the development of a budget for the first school year		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Transition plan that addresses interim personnel policies		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(10)	Documentation of the public meeting(s) held to prepare or review reorganization plan		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(11)	Explanation of how units that approve reorganization plan will proceed if one or more units do not approve the plan		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(12)	Estimate of cost savings to be achieved		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(13)	Such other matters as the governing bodies of the school administrative units in existence on the effective date of this chapter may determine to be necessary		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

¹ Please explain why this is a barrier and what assistance you need to remove this barrier on the next page.

² Please explain what assistance you need to complete this portion of your plan, and state from whom you need assistance, on page 3.

Parameters for Plan Development							
Law Reference Item Number Sub-Chapter 2	Item	N/A	Complete	In Progress	Not Yet Started	Identified Barrier ³	Need Assistance ⁴
3.B(1)	Enrollment meets requirements (2,500 except where circumstances justify an exception ⁵)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sec. XXXX-36, Parameter B	When viewed in conjunction with surrounding proposed units, may not result in one or more municipalities being denied the option to join an RSU		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.B(2)	Comprehensive programming for all students grades K - 12.		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Includes at least one publicly supported high school		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.B(3)	Consistent with policies set forth in section 1451		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.B(4)	No displacement of teachers		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	No displacement of students		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	No closures of schools existing or operating during school year immediately preceding reorganization, except as permitted under section 1512		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sec. XXXX-26, Parameter F	The plan must address how the school administrative unit will reorganize administrative functions, duties and noninstructional personnel so that the projected expenditures of the reorganized school unit in fiscal year 2008-2009 for system administration, transportation, special education and facilities and maintenance will not have an adverse impact on the instructional program ⁶		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Collaborative Agreements		
	Yes	No
Does your plan currently include information/documentation on collaborative agreements? (not required, but encouraged)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Exceptions to 2,500 minimum

Actual number of students for which the SAU is fiscally responsible: _____

Exception	Exception Claimed in Plan	Documentation Provided? (Please attach as Exhibit B)	
		Yes	No
Geography	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Demographics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Economics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Transportation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Population Density	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other Unique Circumstances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

³ Please explain why this is a barrier and what assistance you need to remove this barrier on the next page.

⁴ Please explain what assistance you need to complete this portion of your plan, and state from whom you need assistance, on page 3.

⁵ Please note in the *Exceptions to 2500 minimum* section on next page

⁶ This requirement is only for those who plan to be operational as an RSU in fiscal year 2008-2009, in accordance with a Reorganization Plan that is approved by the Commissioner and by the voters.

Explanation of Barriers –

Please use this section to explain any/all barriers identified on the previous page as a barrier in completing your Reorganization Plan.

Law Reference/Required Element	Explanation of the barrier

Assistance Needs –

Please use this section to describe your needs for assistance and from whom you need assistance.

Law Reference/Required Element	Explanation of your assistance need	Assistance needed from whom?

REORGANIZATION PLAN

SAU Submitting: SAD 14, SAD 25, SAD 29, SAD 70, CSD 9, Hersey, Moro Plantation, Bancroft, and Orient

Contact Information: William Dobbins, Superintendent (207)448-2882

Date Submitted by SAU: 8/15/08

Proposed RSU Operational Date: 7/1/09

1. The units of school administration to be included in the proposed reorganized regional school unit.

The proposed regional school unit includes the following school administrative units:

- A. Town of Hersey, Moro Plantation, Orient and Bancroft, a municipal school unit.
- B. Maine School Administrative District No. 14, 25, 29, 70.
- C. CSD 9 Community School District.

As the school units and towns of **Tri County Regional School Unit** move toward finalization, the Reorganization Planning Committee recognizes that the quality of education provided to our students should receive our highest priority.

Introduction

The **Tri County Regional School Unit** Education Committee consisted of members of the regionalization planning committee.

The Educational Committee's discussions include comparisons of current programming, quality of delivery, staff development, communication, and data management systems. This committee at all times recognizes the positive cultural aspects unique to the individual schools, which are essential to preserve and celebrate. Such unique aspects, however, cannot detract from the systematic enhancement and improvement for learning and teaching across the new district.

Mission Statement

The mission of the **Tri County Regional School Unit** is to reenergize community commitment to education and enhance educational programs by marshaling resources wisely, creatively, equitably and cost-effectively. The **Tri County Regional School Unit** will strive to

- Bring out the best in each student's intellectual, ethical, creative and physical development;
- Provide talented and dedicated faculty and encourage parent and community involvement, as fundamental to each student's success;

- Provide exceptional facilities for academics, athletics and the arts;
- Ensure a safe and respectful environment where all feel a sense of belonging;
- Value the diversity of belief and experience that each student brings, and
- Promote in each student, personal integrity, intellectual vitality, good citizenship, discipline and respect for self and others.

Potential Educational Program Enhancements:

- Utilize unique strengths and attributes of individual schools within the new RSU
- Offer a larger variety of electives and Advanced Placement offerings
- Streamline/share special education services
- Streamline/share Gifted/Talented educational services
- Share in extra curricular activities and programming throughout the grade span
- Allocate and collaborate on technology resources
This could include not only hardware, but software and web-based resources
- Alternative positions for specialty courses, including arts, music, languages, school psychologists, PT/OT positions.
- Visual and performing arts enrichment/visiting artists
- Collaboration with local college opportunities/ on-line services, and Early College for ME programs
- In house expertise to support peer training for teacher and ed techs
- RSU curriculum coordinator
- Greater data pool to evaluate student progress and teaching strategies.
- Create “magnet” centers for programs requiring investment in specialized equipment

Potential Opportunities for Students

Grades K-12

- Alternative programming vs. out-of-district placements.
- Expanded programming will include, but is not limited to, the following areas:
 - Literacy
 - Math
 - Student services
 - G/T
 - Title I
 - Foreign language
 - Service learning opportunities
 - Early intervention strategies/support
 - Shared services
 - Summer opportunities
 - Placement for students within RSU
 - Art/music/drama expertise for various media/vocal and instrumental music

Grades K-5

- Technology
- SpEd. Resources/support
- Foreign language

Grades 6-8

- Co-curricular opportunities

- Music
- Sports/Extra-curricular programs
- After school programs

Transition into high school

It is essential that students have a positive transition into high school in order to be successful. Although the five high schools will be retained for the present time, the opportunity students have to interact with the total population will make these transitions easier. It will also provide the guidance student services with more options for programs available to those students transitioning into the high school. To assist in this, the committee recommends that the schools make plans along the way, during the eighth grade year. These might include

- Formal informational meetings for students and parents early in the eighth grade year (by February)
- Individual counseling time with a student and his/her parents to discuss the process
- High School students and staff have a formalized process to discuss high school expectations from both perspectives.
- Students receive information about athletic programs offered/ a pre-season schedule
- The first day of school is a day that is set aside specifically for ninth graders, their parents, and a few high school students who will be part of the ninth grade student's advisee group
- Students are assigned early (before the end of school in June) to the advisee group for high school

Grade 9-12

- More elective, AP and regular course offerings.
- Summer support programs
- Fewer extra-small classes; provide optimum class sizes for collaborative learning
- More and more varied opportunities for co and extra curricular activities
- Internships
- ATM possibilities with unified schedules
- Benefits from the melding of different communities—
 - Diversity
 - Social and academic opportunities

Special Education

- Assessment teams (OT, PT, speech)
- Behavioral programs
- Life Skills programs
- Adaptive PE

Potential Opportunities for Staff

- Professional development opportunities, including on-site opportunities with increased numbers of staff members
- Curriculum and data comparisons
- Greater enhancements of PLC's (Professional Learning Communities)
- Recruiting and retention of teachers
- Common calendar
- Leadership opportunities for staff/collaborative efforts
- Designing and participation in graduate level courses that address the needs of the District

- Regular Ed and Special Ed teachers have opportunities for establishing a reliable system of modifications and accommodations for classroom and assessment
- PLC's have more people for those categories that were often a single teacher (art, music, languages, etc).
- RTI (Response to Intervention) alternatives
- Shared staff
- More aligned and consistent K-8 curriculum and expectations will facilitate better grade 9-diploma course offerings and program offerings, as well as staffing patterns.
- Content area teams
- Expanded wellness programs
- More teacher options for looping, specialization
- Peer coaching
- More early release options
- Technology training

Recommendations

Curriculum

- The **Tri County Regional School Unit** should have full-time curriculum coordinator
- Priority will be given to math, reading, science, and writing in developing curriculum, professional development, and assessment alignment
- Grades 7-8 works toward alignment along best practices, so students entering high school have a more smooth transition

Data systems and grading

- Consistent grading system throughout **Tri County Regional School Unit**
- A universal student data system for placement and informational purposes (Infinite Campus may answer this)
- Institute or continue NWEA, and provide professional development on the use of data to inform teaching and learning.

Student interventions and supports

- **Tri County Regional School Unit** provides proper supports to ensure that each student is able to be successful
- Provide specialists in literacy and math to support teachers in all grades. This may include direct instruction for students as well as facilitating the development of teachers
- Adopt a program that addresses early intervention AND provides supports for all at-risk students
- Provide a comprehensive G/T program for all identified students; this must encompass academic, technical and the arts
- Shared support and resources for health professionals

Professional Development

- Common calendar with aligned professional development activities
- Increased number of PD days, especially for use with PLC's and for data examination and planning
- **Tri County Regional School Unit** provides adequate PD time and funding to transition into the consolidation of the district and its effect on students and programs

Communication

- Recognize and foster timely and effective communication
- Make the decisions in as transparent a manner as possible
- Dispense the information widely throughout **Tri County Regional School Unit** communities
- Develop communication formats that engage staff and students in the education process
- Develop and distribute a common mission statement
- Formulate short and long term educational goals to have each school within **Tri County Regional School Unit** able to provide all resources necessary for student success in that mission.
- Generate the long-term plan to hire administrative, teaching and support staff, who have clear objectives toward the mission of the district.

2. The size, composition and apportionment of the governing body.

There shall be five sub districts, named and made up of the former School Districts with the addition of a northern district taken from SAD # 29 to make six.

East Grand, which includes the towns of Bancroft, Danforth, Orient and Weston
 Hodgdon, which includes the towns of Amity, Cary, Haynesville, Hodgdon, Linneus,
 Ludlow and New Limerick
 Houlton, which includes the town of Houlton , Houlton North,
 which includes the towns of Hammond, Littleton, Monticello, Southern Aroostook, which
 includes the towns of Crystal, Dyer Brook, Island Falls, Merrill, Oakfield and Smyrna,
 Katahdin, which includes the towns of Hersey, Moro, Mount Chase, Patten, Sherman and
 Stacyville.

There shall be fifteen Directors divided among the sub districts according to the Population census as governed by

Title 20-A: EDUCATION

Part 2: SCHOOL ORGANIZATION

Chapter 103-A: REGIONAL SCHOOL UNITS

Subchapter 3: school governance; program

§1472. Methods of apportionment

4. Method D: other

In the event there are any changes in the membership as a result of the referendum vote, the governance committee will reconvene to make adjustments as needed.

See Exhibit 2-A and Exhibit 2-B

3. The method of voting of the governing body.

With Sub districts comprised of former school districts and weighted vote we come up with a workable hybrid approach. By combining method A and Method B, Sub districts with directors that have weighted votes. With 6 sub districts and 1000 votes divided between 15 directors we have a workable representation of the voting populace that is in accordance with one-person one vote.

4. The composition, powers and duties of any local school committees to be created.

Governance committee recommends no local committees.

5. The disposition of real and personal school property.

- A. Real Property and Fixtures. Except as listed in Exhibit 5-A, all real property interest, including without limitation land, buildings, and other improvements to realty, easements, options rights, first refusal rights, and purchase rights, and all fixtures of S.A.D. #14, S.A.D. #25, S.A.D. #29, S.A.D. #70, C.S.D. #9, Bancroft, Hersey, Moro, and Orient shall be conveyed to the RSU. The RSU Board may require such deeds, assignments or other instruments of transfer as in its judgment is necessary to establish the District's right, title and interest in such real property and fixtures.

The real property interests and associated fixtures that shall not be transferred are listed in Exhibit 5-A. All real property and fixtures not listed in Exhibit 5-A shall be transferred to the RSU District. The disposition of the non-transferred property, if any, shall become the property of the municipality in which it is located, unless otherwise specified in this Plan.

- B. Personal Property. All other tangible school personal property, including movable equipment, furnishings, textbooks and other curriculum materials, supplies and inventories shall become property of the RSU District as successor of S.A.D. #14, S.A.D. #25, S.A.D. #29, S.A.D. #70, C.S.D. #9, Bancroft, Hersey, Moro, and Orient, except as listed in Exhibit 5-B.

The RSU District Board may require such assignments, bills of sale or other instruments of transfer as in its judgment is necessary to establish the District's right, title and interest in such personal property.

- C. Agreements to Share or to Jointly Own Property. In cases where real or personal school property is shared or is jointly used by an SAU with a municipality or other partner, the RSU District shall be the successor in interest to the SAU, unless that shared or jointly used property has been excepted in the above list of excepted real property or, as applicable in the above list of excepted personal property.

6. The disposition of existing school indebtedness and lease-purchase obligations if the parties elect not to use the provisions of Section 1506 regarding the disposition of debt obligations.

- A. Bonds, Notes and Lease Purchase Agreements that the District Will Assume. The RSU District shall assume liability to pay the bonds, notes and lease purchase agreements as specified in Exhibit 6-A.

Additionally, other bonds, notes and lease purchase agreements issued by an SAU before the operative date of RSU District shall be assumed by the District, provided the SAU issued the bond, note or lease purchase agreement in the normal course of its management of the schools for an essential purpose to replace its existing facilities and existing items of equipment that are no longer serviceable or to keep them in normal operating condition.

- B. Bonds, Notes and Lease Purchase Agreements that the RSU District Will Not Assume. Pursuant to 20-A M.R.S.A. § 1506(4) The RSU District does not assume the bonds, notes and lease purchase agreement specified in Exhibit 6-B, which shall continue to be

paid by the original members of the SAU indicated, and the RSU District shall serve as fiscal agent for the SAU for that purpose as specified in Exhibit 6-B

- C. New Capital Project Debt that the RSU Will Issue and Assume. If the voters or other applicable legislative body of an SAU has authorized the issuance of bonds for a school construction or a minor capital project, but the SAU has not issued all of the authorized permanent bonds for that project, the RSU District Board shall issue bonds or notes to finance the completion of that project and to refund any temporary notes that the SAU issued for that project, as required by 20-A M.R.S.A. § 1506(5). With respect to such new project debt, the District shall assume liability to pay the bonds, notes and lease purchase agreements listed in Exhibit 6-C.
- D. New Capital Project Debt that the RSU School District Will Issue But Will Not Assume. If the voters or other applicable legislative body of an SAU has authorized the issuance of bonds for a school construction or a minor capital project, but the SAU has not issued all of the authorized permanent bonds for that project, the RSU District Board shall issue bonds or notes to finance the completion of that project and to refund any temporary notes that the SAU issued for that project, as required by 20-A M.R.S.A. § 1506(5). With respect to such new project debt, the District will not assume liability to pay the bonds, notes and lease purchase agreements listed in Exhibit 6-D.
- E. Defaulted Debt is Excluded from Being Assumed. Notwithstanding anything in this Plan to the contrary, except where legally required to do so, the RSU District will not assume any bond, note or lease purchase agreement as to which the SAU is in breach or has defaulted
- F. Other Debt Not Assumed. Except as provided in this section of the Plan, the RSU District will not assume liability for any bonds, notes or lease purchase agreements issued by an SAU prior to the operative date of the District.
- G. New Capital Project Debt that the RSU School District shall issue and may Assume, listed in Exhibit : 6-G

7. The assignment of school personnel contracts, school collective bargaining agreements and other school contractual obligations.

A. School Personnel Contracts. A list of all written individual employment contracts to which each of the existing SAUs is a party is attached as follows. Pursuant to Section XXXX-43(5), individuals on the list who are employed on the day before the operational date shall become employed by the RSU as of the operational date, and their contracts shall be assumed by the RSU on the operational date. This provision does not prevent the existing SAUs from terminating or non-renewing the contracts of employees in accordance with applicable law before the operational date of the RSU. The list shall be updated and made final no later than the day before the operational date of the RSU.

The duties and assignments of all employees transferred to the RSU shall be determined by the Superintendent of the RSU or his/her designee.

Table A.

SAU	CONTRACTING PARTY	TYPE OF CONTRACT	EXPIRATION DATE
SAU 14	William O'Connell	Psychological Examiner	June 2009
	Christine Manley	Behavioral Consultant	June 2009

	Bernadette Willette	Certified Counselor	June 2009
	Maine Family Resource Center	Occupational Therapist	June 2009
	Maine Family Resource Center	Speech Pathologist	June 2009
	Mechanical Services	Boiler Maint.	June 2009
	Barry Gillis	Snow Plowing	June 2009
	NWEA	Assessment	June 2009
	ME State Billing	Day Treatment	June 2009
SAU	CONTRACTING PARTY	TYPE OF CONTRACT	EXPIRATION DATE
SAU 25	Aroostook Mental Health Services	Substance Abuse Counselor	July 2009
	Houlton Regional Hospital	Occupational Therapist	June 20, 2010
	Kim McNally	Speech Services	June 30, 2009
	Eastern Maine Medical Center	Pediatric Services	June 30, 2009
	Northern Maine ENT Associates	Audiological Services	n/a
	Neuropsychological Services	Dr. Fink	n/a
	Central Maine Evaluators	Psychological Evaluations	n/a
	Mechanical Services	Boiler Maint.	June 30, 2009
	US Cellular	Cell Phones	April 1, 2009
	Guay	Fire Extinguishers	
	Tyler Technology	Payroll System/Budget	June 30, 2009
	Pine Tree Waste	Garbage	n/a
	Modern Pest Services	PEST Management	n/a
	Norlens Water	Water Treatment	n/a
	Maine State Billing	Day Treatment	June 30, 2009
SAU	CONTRACTING PARTY	TYPE OF CONTRACT	EXPIRATION DATE
SAU 29	MSAD #29/70 Adult Education	Adult Education Services	July 2009
	Carlton Project	Alternative Education Program	July 2009
	Eastern Skies	Asbestos	July 2009
	Aural Rehabilitation Services	Audiological Services	July 2009
	Peter Davis, CPA	Audit	n/a
	Mechanical Services	Boiler Maint.	July 2009
	Network Systems	Budget/Accounting	August 2009
	Unicel	Cell Phones	December 2009
	USCellular	Cell phones	July 2010
	Chem. Safe	Chemical Health & Safety	n/a
	Bernadette Willette	Counselor Services	July 2009
	S.M.I.T.H LLC	Elevator Inspection	July 2009

	Otis Elevator	Elevator Mant.	July 2009
	AMHC	Employee/Student Assistance Services	June 2009
	Seacoast Security	Fire/Security Alarm Systems	n/a
	Simplex Ginnell	Fire/Security Alarm Systems	n/a
	Drummond Woodsum	Legal Services	n/a
	Drummond Woodsum	Negotiations	n/a
	Houlton Pioneer Times	Newspaper space	July 2009
	Bangor Daily News	Newspaper space	July 2009
	None	Oil Contract	n/a
	Anne Cottle	OT	July 2009
	ADP	Payroll System	July 2009
	Central Maine Communications(high school, elementary school & Wellington)	Phone System Maint. Contracts	n/a
	Executel (Southside school)	Phone System Maint. Contract	n/a
	Pine Tree Waste	Garbage	n/a
SAU 29	School Psychologist Services-William O'Connell	Psychological Services	July 2009
	Nickerson Construction	Snow Plowing-Houlton	July 2009
	Transportation Refrigeration Services	Snow Plowing-Littleton/Monticello	July 2009
	Maine State Billing	Special Education/Medicad	n/a
	Eastern Maine Medical Center	Special Education Evaluation Services	July 2009
	Miriam Carter	Speech Services	July 2009
	Houlton Regional Hospital	Speech Services	July 2009
	Sprinkler Systems Inspection Corp.	Sprinkler System-Southside School	July 2009
	County Environmental Engineering	Tank Inspection	July 2009
	James Ritchie	Well Maint./Management	July 2009

SAU	NAME	POSITION	EXPIRATION DATE
MSAD #14	Norma Goforth	Bookkeeper	2010
	William Dobbins	Superintendent	2010
	Vacant	Secretary	2009
	Ruth Ann Cowger	Guidance Director	2009
	Chris Young	AD/AP	2009
	David Apgar	Principal	2009
MSAD #25	Doris Mooney	Secretary	2010
	Joan Bouchard	Bookkeeper	2010
	John A. Doe	Superintendent	2011
	Chris Cunningham	Principal	2009
	Rae Bates	Principal	2009
	Debra Marquis	Guidance	2009
	Dennis Brackett	Transportation Supervisor	2010
	Gayle Glidden	Food Service Director	2009
	Phil Faulkner	AD	2009
	Kelly Farnham	Secretary	2009
	Peggy Hammond	Secretary	2009
	Cliasta Bither	Business Office Manager	2009
	Ted Peterson	Bus Supervisor/Transportation Director	2009
	Dawn Dougan	Curriculum Coordinator / Asst. Superintendent	2009
MSAD #29	Joyce Smith	Food Service Director	2009
	Gretel Crockett	Home School Coordinator	2009
	Mary Murray	Adult Ed Secretary	2009
	Marion Gartley	Special Education Director	2009
	Dale Clark	Maintenance Supervisor	2009
	Otis Smith	SAD 29/70 Adult Ed Director	2009
	Kevin Kimball	Chief Network Computer Technician	2009
	Jon Turner	Guidance Director	2009
	Steve Fitzpatrick	Superintendent	2009
	Candace Crane	Principal	2009
	Marty Bouchard	Principal	2009
	Lynn Brown	School Health Coordinator	2009
	Vacant	High School AP	
	Wayne Quint	Athletic Director	2009
	Jason Tarr	Principal	2009
	Nancy Wright	Principal	2009
MSAD #70	Sue Hawks	Business Manager	2010
	Lori Lenentine	Adm. Secretary	2010
	Robert McDaniel	Superintendent	2010
	Clark Rafford	Principal	2010
	David Minzy	AP/Ad	2009

	Loreen Wiley	Principal	2010
	Cindy McNutt	Special Ed. Director	2009
CSD #9	Holly Vining	Accountant	2010
	Elaine Small	Secretary	2010
	Terry Comeau	Superintendent	2008
	Jon Porter	Principal	2010
	Murray Putnam	AP/AD	2010
	Greg Bagley	Principal	2010

There are currently no employees of the existing SAUs who are not covered by employment contracts. Pursuant to Section XXXX-43(5), individuals who are employed on the day before the operational date shall become employed by the RSU as of the operational date. This provision does not prevent the existing SAUs from terminating employment of the employees in accordance with applicable law before the operational date of the RSU. The list shall be updated and made final no later than the day before the operational date of the RSU.

B. School Collective Bargaining Agreements: The following collective bargaining agreements to which the SAUs are a party shall be assumed by the regional school unit board as of the operational date.

All of the employer's rights and responsibilities with respect to collective bargaining shall be fully assumed by the regional school unit board as of the operational date.

Table B.

SAU	POSITIONS INCLUDED IN BARGAINING UNIT	NEXT TERMINATION DATE
SAU 14	Teachers	August 31, 2010
SAU 14	Support Staff	June 30, 2010
SAU 25	Teachers School Nurse	August 31, 2010
SAU 25	Support Staff	June 30, 2010
SAU 29	Teachers School Nurses Librarian Guidance Counselors Teaching Principals Acting Principals	June 30, 2009
SAU 29	Bus Drivers Bus Drivers/Custodians Maintenance Custodians Chief Computer Network Technician Assistant	June 30, 2010
SAU 29	Cafeteria Workers	June 30, 2010
SAU 29	Ed Techs COTA Secretaries	June 30, 2010
SAU 70	Teachers	August 10, 2009

	Guidance Counselors Social Workers Home School Coordinators School Nurse	
SAU 70	Bus Drivers	June 30, 2009
CSD 9	Teachers School Nurse Guidance Counselors Library Media Specialist	Under negotiations (Evergreen clause)

C. Other School Contractual Obligations: A list of all contracts to which the existing SAUs are a party and that will be in effect as of the operational date is attached as follows.

Table C.

SAU	CONTRACTING PARTY	TYPE OF CONTRACT	EXPIRATION DATE
SAU 70	AMHC Special Education	Speech & Language	Under negotiation
	Balance Behavior Consulting Special Education	Consultation to PET meetings regarding student behavior	Under negotiation
	Mark Hammond	Speech Pathologist Evaluation & Consultation Services	Under negotiation
	Houlton Regional Hospital	Occupation Therapy	Under negotiation
	Maine State Billing	IEP/Case Management Software Services	Under negotiation
	NWEA	Assessments	Under negotiation
	Vanessa Patenaude	Physical Therapy & Evaluation Consultation	Under negotiation
	Davis CPA	Yearly Audit	Under negotiation
	Mechanical Services	Boiler Maint. & Alarm System	Under negotiation
	Robert Quint	Snow Plowing	Under negotiation
	Pine Tree Waste	Trash removal	Under negotiation
	Region 2	Garage Rental	Under negotiation
	Otis Elevator	Maint. Agreement	Under negotiation
	Seacoast Security	Security	Under negotiation
	Dr. LeVasseur	Central Maine Evaluations	Under negotiation
CSD 9	Honeywell	Boiler & Heating Maint.	June 30, 2009
	Maine State Billing	Medicaid Administrative Services	August 31, 2009
	Tyler Technology	Payroll System/Budget	June 30, 2009

	Houlton Regional Hospital	Occupational Therapist	June 30, 2009
	Houlton Regional Hospital	Physical Therapy	June 30, 2009
	Eastern Maine Medical Center	Pediatrics	June 30, 2009
	Simplex	Fire Alarm System	June 30, 2009

All personnel policies existing in the previous school administrative units shall continue to apply to the same employment positions after they become part of the regional school unit. After the operational date, the regional school unit board and superintendent will develop and adopt region-wide policies in accordance with applicable law.

All existing grants in the previous existing school units will be assumed by the Tri County RSU. The Tri-County RSU will honor all applicable terms and conditions as well as obligations of said grants.

8. The disposition of existing school funds and existing financial obligations, including undesignated fund balances, trust funds, reserve funds and other funds appropriated for school purposes.

Existing Financial Obligations. Pursuant to Section XXXX-36(5) of Title 20-A M.R.S.A., the disposition of existing financial obligations is governed by this plan.

Existing financial obligations shall include the following:

- (i) all accounts payable;
- (ii) to the extent not included as accounts payable, any financial obligations which under generally accepted accounting principles would be considered expenses of S.A.D. #14, S.A.D. #29, S.A.D. #25, S.A.D. #70, C.S.D. #9, Hersey, and Moro, Bancroft, and Orient for any year prior to the year the RSU becomes operational, whether or not such expenses were budgeted by the SAU in the year the obligations were incurred, including for example summer salaries and benefits; and may be spread over a 2 year period, and the obligation goes to the individual responsible towns;
- (iii) all other liabilities arising under generally accepted accounting principles that can be reasonably estimated and are probable.

Each SAU shall satisfy its existing financial obligations from all legally available funds. If an SAU has not satisfied all of its existing financial obligations, the SAU shall transfer sufficient funds to the RSU to satisfy its remaining existing financial obligations, and the district board shall be authorized to satisfy those existing financial obligations on behalf of the SAU. If the SAU does not transfer to the region sufficient funds to satisfy its existing financial obligations, then to the extent permitted by law, the district board may satisfy those obligations from balances that the SAU transfers to the district. If the available

balances transferred are insufficient to satisfy the SAU's existing financial obligations, or are not legally available for that purpose, the district board may take any action permitted by law so that all of the municipalities of the district are treated equitably with respect to the unsatisfied existing financial obligations of an SAU. For example, to the extent permitted by law, the RSU school board district may satisfy the unpaid existing financial obligations of an SAU in the same manner and with the same authority as for unassumed debt under the provisions of 20-A M.R.S.A. § 1506(4).

Additionally, to the extent permitted by law, if in the judgment of the RSU school board it must raise funds from all its members to satisfy existing financial obligations of an SAU, the regional school unit board also shall be authorized to raise additional amounts for the purpose of making equitable distributions (which may be made in the form of credits against assessed local shares of the region's approved budget) to those region members that would otherwise bear costs attributable to unsatisfied existing financial obligations of an SAU for which they had no financial responsibility. The intent of the preceding sentence is that financial responsibility for unsatisfied existing financial obligations of an SAU be borne by its members and not by the other members of the district

. B. Remaining Balances. The balance remaining in the SAU's school accounts after the SAU has satisfied existing financial obligations in accordance with this plan shall be paid to the treasurer of the RSU district, verified by audit and used to reduce that SAU's contribution as provided by Section XXXX-43(4), except as otherwise provided in this Plan. Unless the Legislature otherwise provides, in the case of S.A.D. #14, S.A.D. #29, S.A.D. #25, S.A.D. #70, C.S.D. #9, Hersey, and Moro, Bancroft, and Orient, the board shall specify in writing to the RSU district board how the district shall allocate transferred remaining balances between district members. Unless the Legislature otherwise provides, if S.A.D. #14, S.A.D. #29, S.A.D. #25, S.A.D. #70, C.S.D. #9, Hersey, and Moro, Bancroft, and Orient has not specified in writing to the RSU district board how this allocation shall occur, then the transferred remaining balances shall be credited to the district's members in proportion to their respective shares of that portion of the total local costs of the region allocable to all of the district's members for the operational year.

Transfers of remaining balances may occur within the period specified by Section XXXX-43(4), or, as may be preferable in the case of, S.A.D. #14, S.A.D. #29, S.A.D. #25, S.A.D. #70, C.S.D. #9, Hersey, and Moro, Bancroft, and Orient at any time before the district has closed its accounts and ceased normal operations.

C. Reserve Funds. S.A.D. #14, S.A.D. #29, S.A.D. #25, S.A.D. #70, C.S.D. #9, Hersey, and Moro, Bancroft, and Orient shall transfer remaining balances of reserve funds to the regional school unit. Unless otherwise provided by applicable law, a transferred reserve fund shall be used in accordance with its original purpose to benefit a school or schools of the SAU. Transferred reserve funds shall be subject to Title 20-A M.R.S.A. § 1491, except that the transfer of funds in a reserve fund or a change in purpose of the fund may only occur in such manner that the funds continue to benefit the members of the SAU that transferred that reserve fund to the district.

D. Scholarship Funds. S.A.D. #14, S.A.D. #29, S.A.D. #25, S.A.D. #70, C.S.D. #9, Hersey, and Moro, Bancroft, and Orient shall transfer remaining balances of scholarship funds to the region. Scholarships shall be limited to the original pool of potential recipients unless otherwise provided by the donor or by applicable law.

E. Trust Funds. S.A.D. #14, S.A.D. #29, S.A.D. #25, S.A.D. #70, C.S.D. #9, Hersey, and Moro, Bancroft, and Orient shall transfer trust funds to the region. The regional school union board shall be deemed the successor RSU for all purposes, except as provided by the trust or by applicable law.

9. A transition plan that addresses the development of a budget for the first school year of the reorganized unit and interim personnel policies.

A. The initial RSU shall be elected in accordance with 20-A M.R.S.A. s.s. 1472-A and shall have transitional powers and duties provided by 20-A M.R.S.A. s.s. 1461-A

B. Transition Plan for Personnel Policies. All personnel policies existing in the previous school administrative units shall continue to apply to the same employment positions after they become part of the regional school unit. After the operational date, the regional school unit board and superintendent will develop and adopt region-wide policies in accordance with applicable law.

10. Documentation of the public meeting or public meetings held to prepare or review the reorganization plan.

Minutes of the following public meeting(s) held to prepare or review the reorganization plan are attached as Exhibit 10-A:

Date of Public Meeting	Time	Location
September 5, 2007	6:30pm	Houlton Southside School, Houlton
September 17, 2007	6:30pm	Mill Pond School, Hodgdon
October 4, 2007	6:30pm	East Grand School, Danforth
October 15, 2007	6:30pm	Katahdin High School, Stacyville
October 29, 2007	6:30pm	Southern Aroostook School, Dyer Brook
November 15, 2007	6:30PM	Houlton Southside School, Houlton
January 8, 2008	6:30PM	Mill Pond School, Hodgdon
February 25, 2008	6:30PM	East Grand School, Danforth

March 17, 2008	6:30PM	Katahdin High School, Stacyville
April 15, 2008	6:30PM	Southern Aroostook School, Dyer Brook
May 6, 2008	6:30PM	Houlton Southside School, Houlton
May 20, 2008	6:30PM	Mill Pond School, Hodgdon
May 27, 2008	6:30PM	East Grand School, Danforth
June 24, 2008	6:30PM	Katahdin High School, Stacyville
July 22, 2008	6:30PM	Southern Aroostook School, Dyer Brook
August 5, 2008	6:30PM	Houlton Southside School, Houlton
September 15, 2008	6:30PM	Mill Pond School, Hodgdon

11. An explanation of how units that approve the reorganization plan will proceed if one or more of the proposed members of the regional school unit fail to approve the plan.

If one or more of the proposed members of the region fail to approve the plan, the SAUs that approve the plan shall proceed as follows:

If despite rejection by one or more proposed members of the region, the plan is approved by each of the applicable school administrative units pursuant to Section XXXX-36(9), the plan is approved for all proposed members of the region in accordance with Section XXXX-36(9).

If the plan is rejected by one or more SAUs, but is accepted by SAUs representing at least 50% of the average number of resident pupils within all of the SAUs in the proposed region, as measured by the average of the most recent April and October resident pupil counts. Then in such case the membership of the regional school unit shall include those SAUs that approved the plan; except that the Commissioner may determine the necessity for reapportionment pursuant to 20-A M.R.S.A. § 1475.

Caution: Approval of a region when less than 100% of the SAUs approve the plan may affect board composition, cost sharing, available schools and facilities, levels of indebtedness, student population and other aspects of the regional school unit.

12. An estimate of the cost savings to be achieved by the formation of a regional school unit and how these savings will be achieved.

We estimate that the formation of the regional school unit will result in the following cost savings during the first three years of operation

First year – 2009 - 2010:

Base Year Central Office Costs: \$1,368,722.00 (See Exhibit 12-2)

New Central Office + active contracts \$1,303,722.00

Net Savings \$ 65,000.00

Second year-2010-2011:

Base Year + 3%	\$1,409,784.00
Central Off. + Active contracts + 3%	\$1,271,834.00
Net savings:	<u>\$ 137, 950.00</u>

Third Year 2011 – 2012:

Base + 3%	\$ 1,452,078.00
Central Office + 3% (-\$ 140,000)	\$1,243,119.00
Net Savings	<u>\$ 208,959.00</u>
Net savings (year 1, 2 & 3) (\$65,000.00 + \$137,950.00 + 208,959.00 Total Three year estimated savings for Central Office is \$411,909.00 – Start up Budget for new RSU of \$200,000.00 = <u>\$211, 909.00 net savings.</u>	

Footnote 1. Further Savings may be realized through “economy of scale” within the RSU, particularly in Consulting Services, Contracted Services, Property and Casualty Insurance, Legal Services, Dues & fees as well as Central office General Supplies.

Footnote 2. Additional cost may be expected for melding the Professional and Support Staff contracts of the new RSU. Neither of these is calculable as they are process driven. Also given the geographical size of this proposed RSU the model selected for Central office Administration may be too small to serve the need.

Footnote 3. (Exhibit 12-1) Represents RSU 4 System Administration Organizational chart.

(Note: year one savings = 1 Superintendent Salary RIF (lowest \$65,000)), year two savings predicated on 1 Superintendent Salary RIF & % increase difference (\$71,000.00 +, and year 3 savings = 2 Secretaries positions @ \$30,000.00 each, and 1 Superintendent Salary RIF (\$80,000.00)) as well as % difference. This will Bring the RSU to the Administrative Model represented in (Exhibit 12-1).

13. Such other matters as the governing bodies of the school administrative units in existence on the effective date of this chapter may determine to be necessary.

13-A. Plans to reorganize administration, transportation, building and maintenance and special education.

With respect to administrative costs, as noted above, the formation of a new RSU may enjoy through “economy of scale” efficiencies, particularly in Consulting Services, Contracted Services, Property and Casualty Insurance, Legal Services, Dues & fees as well as Central office General Supplies. In addition it is expected to be in a closer

alignment between the unit's level of expenditures for administration and its EPS allocation for administration. Further, where possible, shared service collaboratives for common functions such as accounting and payroll will be investigated. In addition, shared service arrangements between school departments and other municipal departments, the use of improved financial and accounting software, and reductions in administrative personnel will be considered.

With respect to transportation, In addition to items identified collaboratively (Monthly director meetings, One regular coordinator for all districts, Centralized repair facility, with spare parts storage, etc., Investigating the privatization of transportation, and use of a common radio frequency (Exhibit 13-1)) the RSU plans to use bus routing software being acquired by the Department, shared service arrangements/assignments for maintenance and repair of buses, changes in policy concerning school bus routes and stops, and changes in the level of transportation service.

With respect to maintenance, In addition to items identified collaboratively (described throughout said report i.e. Exhibit 13-1) Similar cost savings will be investigated and planned.

With respect to special education, In addition to items identified collaboratively (One Special Education Director for the five districts, Standardize procedures/ reports/ protocols for special education work (Maine State Billing CASE), and shared services/programs Exhibit 13-1), use of regional employees as opposed to contracted services, examination and review of identification rates, and appropriate changes in the delivery of special education services should bring special education expenditures more into line with our EPS allocation for special education, however, all such changes will use the filter of Federal and State special education mandates as well as "maintenance of effort" requirements.

13-B. Cost Sharing in Regional School Units

The School Administrative Units coming together in this Regional School Unit agree to share those costs that are above the 100% EPS allocation (also known as "additional local funds") in the following manner:

Using the current amount raised in each SAU in the 2008-09 school year for "additional local funds" a percentage of the total amount of "additional local funds" will be established for each SAU. This percentage will be applied to the total amount of "additional local funds" that is raised in FY 2010 and FY 2011. In the case of a community that does not currently raise any "additional local funds," the percentage applied in the future to these funds shall be 0%. In the event that changes in the state funding formula (currently known as EPS) and/or changes in the student and property value relationships among the member units in the RSU within these two years create substantial inequities in this formula, the process for review and potential revision to the formula that is stated below within this agreement shall be utilized to make adjustments to the cost sharing agreement.

Determining the percentage of additional local funds for each participating SAU:

Additional Local Share

Bancroft		1.10%
Hersey		0.56%
Moro Plt.		0.40%
Orient		2.76%
SAD#14	Danforth	3.09%
SAD#14	Weston	2.06%
SAD#25	Mount Chase	2.70%
SAD#25	Patten	4.59%
SAD#25	Sherman	3.99%
SAD#25	Stacyville	4.04%
SAD#29	Hammond	0.22%
SAD#29	Houlton	9.06%
SAD#29	Littleton	1.38%
SAD#29	Monticello	1.25%
SAD#70	Amity	1.91%
SAD#70	Cary Plt.	1.43%
SAD#70	Haynesville	1.20%
SAD#70	Hodgdon	6.68%
SAD#70	Linneus	6.17%
SAD#70	Ludlow	2.16%
SAD#70	New Limerick	10.32%
So Aroos CSD	Crystal	3.01%
So Aroos CSD	Dyer Brook	2.63%
So Aroos CSD	Island Falls	14.22%
So Aroos CSD	Merrill	2.50%
So Aroos CSD	Oakfield	6.96%
So Aroos CSD	Smyrna	3.60%

Starting in 2012-2016 the RSU shall phase in over the next five years. The local costs based on property valuation as follows:

Year 1 (FY-12) The additional local funds shall be allocated by the percent established in FY-09 at the rate of 80% and 20% of the local funds shall be based on property valuation

Year 2 (FY-13) The additional local funds shall be allocated by the percent established in FY 09 at the rate of 60% and 40% of local funds shall be based on property valuation.

Year 3 (FY-14) The additional local funds shall be allocated by the percent established in FY 09 at the rate of 40% and 60% of local funds shall be based on property valuation.

Year 4 (FY-15) The additional local funds shall be allocated by the percent established in FY 09 at the rate of 20% and 80% of local funds shall be based on property valuation.

Year 5 (FY-16) The additional costs of operating a regional school unit must be shared among all municipalities within the regional school unit by the same local share

percentages for each municipality resulting from the determination of the local contribution under section 15688.

Amendments to Cost Sharing Agreement: RSU Board of Directors

The RSU Board of Directors have the authority and requirement to review, analyze, and change the cost sharing formula for any FY. Utilizing the following procedure to make changes.

1. The Board shall conduct a review to study the cost sharing formula as it has been used during the previous two years.. In doing so, the Board shall consider variations in local cost sharing that have occurred as a result of implementation of the cost-sharing plan.
2. The Board may choose to conduct the review as a full Board, or to assign it to an appropriate Board Sub-committee. They may also, by majority vote, determine to employ a qualified consultant or consultants to conduct the review and recommend changes to the Board for consideration.
3. The Board will present those changes for discussion and review in a public hearing held for the residents of the RSU.
4. Following the public hearing, the Board shall complete a final review and consideration of the recommended changes as part of a regularly announced Board meeting.
5. As the Board proceeds with changes to the cost sharing formula, the changes shall be presented to the public for ratification through a District wide referendum or a District wide meeting. The Board may also choose to include such changes as part of the regularly scheduled District Budget meeting or District Budget referendum.
6. The meeting (or referendum) will be preceded by a public hearing on the proposed changes at which a complete impact analysis of the changes will be explained to the public both in writing prior to the hearing and verbally at the hearing.
7. The voting process and public hearings will be conducted in compliance with applicable state law and RSU Board policy.
8. The RSU Board shall review the cost-sharing plan in the above manner at least every year, for the purpose noted in statement #1 above.
9. Should the Board decide not to consider any changes in the formula in the years designated for review it will report the decision that came from that review at a regularly scheduled meeting of the board.
10. The decision of the RSU Board with regard to changes in the cost sharing agreement shall be final and binding on the RSU, unless State Statute provides for other means of addressing changes in the cost sharing agreement.

The Amendments to Cost Sharing Agreement: RSU Member Municipalities

- A. If requested by a written petition of at least 10% of the number of voters voting in the last gubernatorial election within the regional school unit, or if approved by a majority of the full regional school unit board, the regional school unit board shall hold at least one meeting of municipal representatives to reconsider the method of

sharing costs. The region shall give at least 15 days' notice to each municipality comprising the region of any meeting.

- B. Each member municipality must be represented at the meeting or meeting by 2 representatives chosen at a large by its municipal officers, and one member of the regional school unit board chosen by the municipality's municipal officers.

Prior to the first meeting of municipal representatives the region shall engage the Services of a facilitator selected from the list, if any, maintained by the commissioner. The facilitator shall:

- (1) At the first meeting, review and present data and information pertaining to sharing of costs within the region. Pertinent information may include, but is not limited to, a description of the region's cost-sharing method, the elements involved in the calculation of each municipality's costs and a graphic depiction of the current and historic distribution of costs in the region.
- (2) Solicit and prepare a balanced summary of the concerns of municipal officials, educators and the public about the current method of cost sharing; and
- (3) Develop a plan of action for consideration by the municipal representatives that responds to the information collected and the concerns raised. The plan of action must include a list of expectations for the conduct of the parties, options for proceeding and an assessment of the likely success of those options.

- C. A change in the method of sharing costs may only be approved by a majority vote of the municipal representatives present and voting.

D. If a change in the cost-sharing method is approved by a majority of the municipal representatives meeting pursuant to paragraph A, the change must be submitted to the voters at a referendum election. It becomes effective when approved by a majority vote of the region in a referendum called and held for this purpose in accordance with sections 1501-1504 of Title 20-A, except that, if the proposed change in cost-sharing plan is based in whole or part on factors other than fiscal capacity or pupil count, the change must be approved by a majority of voters voting in each municipality in the region.

- E. If approved at referendum, assessments made by the regional school unit board Thereafter must be made in accordance with the new method of sharing costs.

- F. The secretary of the region shall notify the state board that the region has voted to change its method of sharing costs. The state board shall issue an amended certificate of organization showing this new method of sharing costs.

13-C. Election of initial board of directors.

From this point forward the term municipalities will refer to the sub districts

§ 1472-A. Election of initial regional school unit board

1. Election; interim secretary; duties. Within 30 days of the issuance of a certificate of organization for the regional school unit by the state board pursuant to section 1461, subsection 7, the members of the school boards of the school administrative units within the regional school unit shall conduct a joint meeting for the purposes of electing an interim secretary of the regional school unit and determining a date for the election of the initial regional school unit board. The interim secretary shall notify the municipal officers of the member municipalities of the regional school unit of the date of the election. The election must be conducted in accordance with section 1473, subsection 2,

except that the election duties of the secretary and the regional school unit board must be performed by the interim secretary. The duties of the interim secretary include:

A. Notifying the municipal officers of the date of the election;

B. Furnishing nomination papers at least 10 days before the deadline for filing nomination papers;

C. Receiving completed nomination papers in accordance with section 1473, subsection 2;

D. Preparing and distributing election ballots in accordance with section 1473, subsection 2;

E. Receiving the town clerk's certification of the results of the voting in each member municipality;

F. Tabulating the town clerk's certification of the results of the voting in each member municipality;

G. Accepting any recount petitions that may have been filed pursuant to section 1473, subsection 2, paragraph C; and

H. Totaling the votes cast for each candidate and notifying the clerk in each municipality, the candidates and the commissioner of the final results of the voting and the names and addresses of the persons elected as directors.

2. Initial meeting. In accordance with section 1473, subsection 1, the clerk of each municipality within the regional school unit shall forward the names and

addresses of the directors elected to represent that municipality to the state board with other data regarding their election as the state board may require. On receipt of the names and addresses of all of the directors, the state board shall set a time, place and date for the first meeting of the directors and give notice to the directors in writing, sent by registered or certified mail, return receipt requested, to the addresses provided by the municipalities.

Sec. 7. 20-A MRSA §1472-B is enacted to read:

§ 1472-B. Staggered initial terms

Notwithstanding section 1471, subsection 2, the initial directors elected to a regional school unit board shall meet and draw lots for their term lengths as specified in this section.

1. Municipalities with annual elections. In municipalities with annual elections, 1/3 of the directors serve one-year terms, 1/3 of the directors serve 2-year terms and 1/3 of the directors serve 3-year terms. If the number of directors is not evenly divisible by 3, the first remaining director serves a 3-year term and the 2nd remaining director serves a 2-year term.

Initial staggering of board member terms.

	Total Board Members	Total Terms		
		1 yr	2 yr	3 yr
Houlton North	2	1	1	
Houlton North	5	2	2	1
Hodgdon	3	1	1	1
East Grand	1			1
Southern Aroostook	2	1		1
Kathadin	2		1	1
TOTAL	15	5	5	5

13-D. Tuition Contracts and School Choice

1. Tuition Contracts: No contracts presently exist.

2. School Choice within the Regional School Unit: Hersey, Moro, Bancroft and Orient offer their students a choice of school to attend as listed in Exhibit13-D.2. Grade levels in the existing districts that have a choice of schools as of the operational date shall continue to have the same choices within the RSU.

3. School Choice outside the Regional School Unit: Bancroft offers school choice to all its students and school choice is preserved under 20-A MRSA Section 1479.

13-E. Claims and Insurance

The parties are aware of the lawsuits, administrative complaints, due process proceedings, notices of claim and other claims existing as of November 28, 2007, as listed in Exhibit 13-E.

13-F. Vote to submit reorganization plan to Commissioner.

13-G. Section for RSUs with fewer than 2,500 students

N/A

13-H. CTE Region(s)

The new RSU Board will work with the Department of Education to review the governance plan for the CTE Region and the issues that arise due to this reorganization plan.

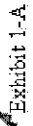


Exhibit 2-2

Exhibit 1-B

	2006 Est. Census	% of population	Total votes	Number of directors	Votes per director	% of voting power	Excess over equal
East Grand	1005	5.54	55	1	55	5.5%	-1.2%
Bancroft.....	60	33					
Danforth.....	607	3.35					
Orient.....	140	.77					
Weston.....	198	1.09					
Hodgdon	3585	19.76	198	3	66	6.6%	-1%
Amity.....	211	1.16					
Cary.....	211	1.16					
Haynesville.....	121	.67					
Hodgdon.....	1252	6.90					
Linneus.....	881	4.86					
Ludlow.....	395	2.18					
New Limerick.....	514	2.83					
Houlton	6283	34.64	345	5	69	6.9%	2%
Houlton North	1854	10.22	102	2	51	5.1%	-1.6%
Hammond.....	96	.53					
Littleton.....	971	5.35					
Monticello.....	787	4.34					
Southern Aroostook	2658	14.66	146	2	73	7.3%	.6%
Crystal.....	277	1.53					
Dyer Brook.....	209	1.15					
Island Falls.....	768	4.23					
Merrill.....	246	1.36					
Oakfield.....	712	3.93					
Smyrna.....	446	2.46					
Katahdin	2755	15.18	152	2	76	7.6%	.9%
Hersey.....	64	.35					
Moro.....	61	.34					
Mount Chase.....	238	1.31					
Patten.....	1094	6.03					
Sherman.....	911	5.02					
Stacyville.....	387	2.13					
TOTALS	18140	100.0%	998				

If all members had same votes
998 / 15 = 66.5

If all members had same %

66.5 / 998 = 6.7%

State Law requires with in 5%

15

Exhibit 1-B

EXHIBIT 5-A

A list of real property interest and associated fixtures that shall not be transferred to the RSU District:

S.A.D. #25 –

All real property interest associated with S.A.D. #25 will be transferred to the new RSU District with the following considerations:

1. 25 acres will be transferred if the acres will be used for educational purposes. If not, it will be returned to the original district members.

S.A.D. #29

All real property interest associated with S.A.D. #29 will be transferred to the new RSU District with the following considerations:

1. Approximately 100 acres, consisting of the Bird Farm will be transferred to the new RSU if used for educational purposes. If not, it will be returned to the original district members.
2. 45 acres associated with the South Side School will be transferred to the new RSU if the acres are used for educational purposes. If not, it will be returned to the original members.

S.A.D. #70-

All real property interest associated with S.A.D. #70 will be transferred to the new RSU District with the following considerations:

1. 80 acres will be transferred if the acres will be used for educational purposes. If not, it will be returned to the original district members.

C.S.D. #9-

All real property interest associated with C.S.D. #9 will be transferred to the new RSU District with the following considerations:

1. 156 acres will be transferred if the acres will be used for educational purposes. If not, it will be returned to the original district members.

EXHIBIT 5-B

A list of personal property that shall NOT be transferred to the RSU District:

S.A.D. #14 – NONE

S.A.D. #25 – NONE

S.A.D. #29 – NONE

S.A.D. #70 – NONE

C.S.D.#9 – NONE

BANCROFT – NONE

HERSEY – NONE

MORO – NONE

ORIENT - NONE

EXHIBIT 6A

Name of SAU	Year Issued	Original Principal Amount	Asset Acquired Constructed or Renovated	Principal Balance as of July 1, 2009	Final Maturity Date
S.A.D. #14	2007	73,341.00	Bus	49,505.06	11/2010
S.A.D. #25	2007	58,718.00	Bleachers	39,773.24	7/2010
S.A.D. #29	1992	4,350,000	South Side	870,000.00	2012
	1992	290,972.86	EPA Renov	11,940.52	6/2010
	1993	192,642.95	EPA Renov	31,458.00	6/2012
	2000	231,000.00	HS Renov	46,200.00	8/2010
\$2.5 million			HS Renov		
S.A.D. #70	None				
C.S.D. #9	2007	31,450.00	Phone System	14320.00	10/2009
Bancroft	None				
Hersey	None				
Moro	None				
Orient	None				

EXHIBIT 6B

NONE					
------	--	--	--	--	--

EXHIBIT 6-C

NONE

EXHIBIT 6D

NONE

EXHIBIT 6-G

SAU – S.A.D. #29 – ARTS CENTER

Exhibit 7

DrummondWoodsum

Robert P. Nadeau

(207) 772-1941

rnadeau@drwmjlaw.com

(207) 772-9627 Fax

(800) 727-1941

245 Commercial Street
Post Office Box 8781
Portland, ME 04104-5081

www.drwmjlaw.com

ADMITTED IN ME ONLY

February 26, 2008

Administrator
Rural Utilities Service
United States Department of Agriculture
1400 Independence Ave.
Washington, D.C. 20250-1500

RE: Distance Learning and Telemedicine Grant

Dear Sir:

We are counsel to the Southern Arrostook Community School District ("Grantee") and render this opinion to you in connection with the grant in the amount of \$393,761 provided for in the Distance Learning and Telemedicine Grant Agreement, dated as of November 1, 2007 "Agreement" between the Grantee and the United States of America, acting through the Administrator of the Rural Utilities Service ("Grantor").

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications and representations of public officials and officers of the Grantee without undertaking to verify the same by independent investigation. We have assumed the conformity to originals of all certificates and documents submitted to us by you or the Grantee in draft form or as execution copies.

We are of the opinion that:

(a) The Grantee has the authority to (i) execute and deliver the Agreement and (ii) perform all the acts required to be done by it under the Agreement.

(b) The Agreement has been duly authorized, executed, and delivered by the Grantee to the Grantor and constitutes the legal, valid, and binding obligation of the Grantee, enforceable in accordance with its respective terms except as such enforcement may be limited by: (i) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws in effect at the time affecting creditors' rights generally and (ii) applicable laws and equitable principles with respect to or affecting the availability or remedies provided for herein.

(c) The execution, delivery, and performance by the Grantee of the Agreement and consummation of the transactions contemplated thereby, do no conflict with or violate any provision of law or regulation, articles of incorporation, charter, or bylaws of the Grantee.

Daniel Abery*
Harry R. Frazier*
Richard A. Spencer*
Gerald M. Zelen*
Ronald N. Ward*
David J. Becker*
John S. Kerslake*
William L. Poulter*
James A. Crocker*
Michael E. High*
Richard A. Shiner*
Bruce W. Smith*
E. William Stockmeyer*
Bengamin E. Martus*
Melissa A. Hawley*
Eric R. Hansen*
Joanne M. Knickard*
Gregory W. Sestile*
Daniel J. Rose*
Kathryn Smith, Jr.*
Dennis J. Nashamson*
Edward J. Kelleher*
S. Campbell Badger*
Amy K. Tolson*
David S. Sherman, Jr.*
Robert P. Nadeau*
Stephen C. Jordan*
Catherine D. Alexander*
Katherine W. Buber*
Brian D. Wilting*
John L. Linn, Jr.*
Aaron M. Frost*
James C. Schweinhart*
Elizabeth D. McEvoy*
T. Parnass*
J. Palmer*
Jessica M. Emmert*
Jonathan M. Goodman*
Mike K. Reynolds*
Abigail Greene Goldman*

Consultants

Roger P. Kelley
Labor Relations &
Conflict Management

Ann S. Chapman
Policy & Labor Relations

Christopher P. O'Neil
Government Affairs

Michael J. O'Neil Ph.D.
Special Education

Of Counsel

Harold E. Woodson, Jr.*
Hugh E. E. MacMahon*
Joseph L. Delaford III*
Robert L. Gies*
Donald A. Kopp*

* Admitted to Maine

† Admitted to New Hampshire

February 26, 2008

Page 2

(d) All authorizations from any regulatory body or government authority required in connection with the execution, delivery, and performance of the Agreement by the Grantee have been obtained.

(e) We are general counsel of the Grantee and to our actual knowledge no legal proceedings have been instituted or are pending to which the Grantee is a party, and there are no judgments against the Grantee, which, in our opinion, would have a material adverse effect upon the business, operations, or financial condition of the Grantee or the Grantee's ability to perform its obligations under the Agreement.

School Reorganization Statute. We note that the Maine Legislature has enacted legislation to reorganize Maine's school administrative units, including the Grantee, into regional school units ("RSUs" or in the singular "RSU"), or otherwise to promote implementation of efficiencies. See Me. P.L. 2007 Ch. 240, Part XXXX (the "Reorganization Law"). This Reorganization Law generally requires school administrative units, including Grantee, to file a regionalization plan, or an alternative plan to create efficiencies, with the Commissioner of Education on or before December 1, 2007. Approved reorganization plans will be submitted for referendum approval to the voters of the school administrative units proposing to reorganize. School administrative units that do not qualify for an exception or have not had an alternative plan approved will be subject to certain financial penalties if they do not approve a reorganization plan by referendum by November 4, 2008 or if they do not implement that plan by July 1, 2009.

If the Grantee is reorganized into an RSU, the disposition of the Grantee's assets and its non-state funded obligations, including the Agreement, will be determined by the terms of the reorganization plan. Existing school units may be required by the reorganization plan to transfer ownership of real and personal school property to the RSU.

We are of the opinion that the Agreement is enforceable against the RSU that succeeds the Grantee provided that the following conditions are met: 1) the RSU is formed in compliance with State law; and 2) the State of Maine Commissioner of Education (the "Commissioner") requires the reorganization plan to obligate the successor RSU to assume the obligations of the Agreement. We note the Commissioner has provided to Grantor a letter dated December 12, 2007 according to which each reorganization plan must require the RSU to assume the obligations of the Agreement.

Very truly yours,



Robert P. Nadeau

RPN/smr

Exhibit 7B



JOHN ELIAS BALDACCIO
GOVERNOR

STATE OF MAINE
DEPARTMENT OF EDUCATION
23 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0023

SUSAN A. GILSON
DEAN OF STUDENTS

December 12, 2007

Gary Badway, Esq.
Office of the General Counsel
United States Department of Agriculture
1400 Independence Ave., SW
Washington, D.C. 20250-1400

By Fax at (202) 690-3991

Re: Maine Distance Learning Grants

Dear Mr. Badway:

It is my understanding that a number of school units in Maine have been awarded grants from the United States Department of Agriculture Rural Utilities Service (the "RUS") pursuant to the Distance Learning and Telemedicine Grant program (the "Grants"). The Grant proceeds will be used to purchase video conferencing and other equipment for distance learning. It is also my understanding that before the Grants can be funded the RUS must receive: 1) a grant agreement executed by each grantee that imposes certain obligations on the grantee in consideration of receipt of the Grant proceeds (the "Grant Agreement"), and 2) a legal opinion from the grantee's counsel that the Grant Agreement is enforceable against the grantee. Under the terms of the Grants, the Grant Agreements must be entered into by the grantees no later than March 1, 2008. The term of the Grants is 3 years, during which time Grant proceeds will be made available to the grantees and the grantees must comply with all terms of the Grant Agreements.

As the Grants are currently structured, the Grant Agreements will be entered into by the following school units: M.S.A.D. No. 54, M.S.A.D. No. 21, M.S.A.D. No. 27, M.S.A.D. No. 59, M.S.A.D. No. 48, C.S.D. No. 9 and the Greenville School Department. These grantees will use the Grant proceeds themselves and in certain instances may distribute the proceeds to other small rural school administrative units for use, such that the Grant proceeds are used by many schools in Maine. The total amount of Grant proceeds proposed to be made available to Maine schools currently is \$2,820,312.00.

OFFICES LOCATED AT THE BURTON M. CROSS STATE OFFICE BUILDING
PHONE: (207) 624-6600 FAX: (207) 624-6700

AN EQUAL OPPORTUNITY EMPLOYER
TTY: 1-888-577-6690

Under current Maine law, various school administrative units in Maine are being reorganized into new units of local governance and administration called "regional school units" ("RSUs"). This legal process may not be completed in some cases until as late as 2009. Since the USDA will require compliance with the terms of the Grant Agreement for 3 years beginning in early 2008, a question has arisen concerning the enforceability of the Grant Agreement against an RSU that has succeeded a grantee pursuant to the State's school reorganization law. The reorganization law is found at Maine Public Laws of 2007, Chapter 240, Part XXXX (the "Reorganization Law").

As part of the school reorganization efforts and pursuant to the Reorganization Law, certain school administrative units are required to submit for my review and approval a proposed reorganization plan for consolidation into an RSU. See P.L. 2007, ch. 240, § 1461 (codified as 20-A M.R.S.A. §1461). The reorganization plan must address certain items required by statute. Among the items the plan must include is the following: "The assignment of school personnel contracts, school collective bargaining agreements and other school contractual obligations." P.L. 2007, ch. 240, § 1461(3)(A)(7) (codified as 20-A M.R.S.A. § 1461(A)(3)(7)) (emphasis added). I cannot grant approval of a proposed reorganization plan unless the plan addresses the school unit's contractual obligations, including the Grant Agreement.

In order to ensure that the obligations of the Grant Agreement are assumed by the RSUs, I will direct that all applicable proposed reorganization plans include a provision that all terms of the Grant Agreement entered into by a grantee school administrative unit shall be assumed by the RSUs that succeed the grantees. Unless each applicable reorganization plan includes this provision, I will not give approval to the reorganization plan.

Certain school administrative units will qualify for an exception to the requirement that they submit a reorganization plan, based on criteria set forth in the Reorganization Law. These school administrative units must submit an "alternate plan" for my approval. Of the school administrative unit grantees listed above, only M.S.A.D. No. 54 has qualified for an exception to submit an alternate plan in lieu of a reorganization plan.

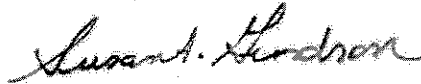
M.S.A.D. No. 54 is a "school administrative district." Although M.S.A.D. No. 54 is not required to submit a plan to be reorganized into an RSU, the Reorganization Law provides as follows:

Not later than December 1, 2008, the Commissioner of Education shall notify any school administrative district that has not voted to form a regional school unit on or before November 4, 2008 that the school administrative district must be recreated as a regional school unit under Title 20-A, chapter 103-A, effective July 1, 2009. Notwithstanding any other provision of law, a school administrative district may be changed to a regional school unit upon notice to the State Board of Education without dissolving the school administrative district. Reorganization Law at XXXX-35 (12) (since codified as 20-A M.R.S.A. section 15904 (3-A) (12)).

In this situation, it is my understanding that the RSU into which a school administrative district may be "recreated . . . without dissolving the school administrative district" is the legal successor of the school administrative district for purposes of school governance, and that, as such, the RSU succeeds to the obligations and duties of the school administrative district, including the Grant Agreement. Therefore, if M.S.A.D. No. 54 has not voted to form a regional school unit on or before November 4, 2008, my notification to M.S.A.D. No. 54 pursuant to the above-quoted statutory language shall include notification that the RSU into which M.S.A.D. No. 54 is changed is not relieved of the contractual obligations of M.S.A.D. No. 54 under the Grant Agreement.

I hope this letter is responsive to your concerns. Please call should you have any questions.

Sincerely,



Susan A. Gendron
Commissioner of Education

cc: Thomas Ward, Superintendent, MSAD 21
Patrick O'Neill, Superintendent, MSAD 27
William Braun, Superintendent, MSAD 48
Brent Colbry, Superintendent, MSAD 54
Sandra MacArthur, Superintendent, MSAD 59
Terry Comeau, Superintendent, CSD 9
Heather Perry, Superintendent, Greenville

Exhibit 10

Regional Planning Committee

Location: Houlton Southside School

Time: 6:30PM

Representatives from: MSAD #14, MSAD #25, MSAD #29, MSAD #70, and CSD #9

Steve Fitzpatrick, Superintendent of MSAD #29, welcomed all the RPC participants and introduced Mary Jane McCalmon as the facilitator for this RPC.

Mary Jane introduced the purpose of the committee and provided two handouts. The first handout was titled Purpose of Committee, and the second was the timeline from the state website. Mary Jane broke the committee into several smaller groups and asked them to have a conversation about the expectations and said they would report out after the conversation.

A question was asked about this conversation being premature since they were not sure what the best configuration of schools would be and they were not sure if this group would constitute the final assembly of schools. Mary Jane responded by saying this is the beginning of the work and that they are following due diligence. She continued to say this does not necessarily mean that this group will constitute the final players. Another question was asked about the number of students (1200-2500). Mary Jane responded that the expectation is 2500 students and she was not sure how many configurations in the 1200 student range would be acceptable since they are looking at approximately 80 total units.

Concerns from the conversation of expectations:

- ☆ Governance and the number of Board members represented
- ☆ Debt service
- ☆ Employee contracts
- ☆ Wards based on population
- ☆ Prepays and carryovers
- ☆ Cost savings
- ☆ Clarification of parameters
- ☆ What is the true expectation of the state
- ☆ Question of what we are doing (frustration)

Mary Jane recognized Senator Sherman for a comment. He recommended that everyone check the state website and read the 66 page bill and have it interpreted as needed.

Mary Jane handed out the required elements of the plan and governance guidelines. She spoke about the 13 elements and divided them into four committees of governance (1, 2, 3, and 4), asset liability (5, 6, and 8), contractual/collective bargaining (7), and finance (9, 12)

The next meeting will be the nuts and bolts of getting the committees together. Setting up meeting dates created a major issue because of the large number of members. The next meeting is scheduled for Monday, September 17, 2007 at Hodgdon Elementary School.

Respectfully submitted,

Michael P. Howard

Regionalization Planning Committee

Meeting Minutes

Location: Mill Pond School, Hodgdon

Time: 6:30pm

Date: Monday, September 17, 2007

Representatives from: MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Moro Plantation, Orient, Bancroft, and Hersey.

Bob McDaniels, Superintendent of MSAD #70, welcomed all the RPC participants.

Mary Jane McCalmon recognized new committee members and provided two handouts, the agenda for the evening and Governance Guidelines.

At the last meeting, a list was made of all committee members, their district, town, and contract information. Mary Jane redistributed this list to have the new members add their information.

A copy of the minutes was distributed from the 9/5/07 meeting and Mary Jane asked the committee to review them for accuracy. A motion was made and then seconded to approve the minutes. The motion duly passed.

Mary Jane had the Superintendent's provide an update on the Notices of Intent(s) that they filed.

- Steve Fitzpatrick – He sent in five Notices of Intents and has received two responses back. The Alternative was denied, stating criteria not met and the other one was approved, but it didn't state which one it was, and was waiting on further clarification.
- Terry Comeau – He submitted one Notice of Intent for MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Danforth, Bancroft, Moro, and Hersey, which was approved.

- John Doe – He submitted one Notice of Intent for MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Danforth, Bancroft, Moro, and Hersey, which was approved.
- Bill Dobbins – He submitted two Notices of Intent, the one consisting of MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9 was approved. A denial was received on the Geographical one he submitted.
- Bob McDaniels – He submitted four, two of which were approved. The ones approved were with just MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9 and the other with the same districts with the addition of Mars Hill.

Mary Jane discussed getting organized for the work of the committee. Kelly Farnham will be taking notes for the main meetings. She also mentioned that the committee has received a small grant for miscellaneous expenses, which will be made available within the next couple of weeks.

Mary Jane then discussed the Subcommittee structure. The committee will be broken into four subcommittees consisting of governance, asset & liability, personnel, and finance. There is a possibility of adding a fifth committee should there be another area that is felt that might be needed. She mentioned that some other committees throughout the state are adding an Education Committee.

Mary Jane had the committee break up into groups by SAU to determine who would be on each of the four committees. After the members of each subcommittee were decided, Mary Jane brought back everyone into one group to discuss the handout she distributed at the beginning of the meeting, the Governance Guidelines. Mary Jane asked that each subcommittee organize themselves but choosing a chair and/or co-chair, which would then make up a four person executive committee. It was suggested that the chairs have executive decision making for decisions, such as canceling meetings due to bad weather. Also, a note taker would need to be chosen for each subcommittee. Mary Jane will be the timekeeper. A concern was brought up that there needs to be equal distribution amongst the towns on each committee and to ensure that a town and/or district doesn't have more than one chair on a subcommittee. It was also mentioned that everyone on the committee will be informed of each subcommittees work.

The upcoming meeting dates are as follows:

Thursday, October 4, 2007 at East Grand in Danforth (previously was to be at Danforth Town Office)

Monday, October 15, 2007 at the Katahdin Elementary School

Monday, October 29, 2007 at Southern Aroostook

Thursday, November 15, 2007 at Houlton Southside School

The plans need to be submitted to the Department of Education by 12/1/07. Mary Jane said that the subcommittees will make as much progress as possible. Whatever is completed by that date will be submitted. There is another deadline in the spring, should they not be completed. She also mentioned that the plans needed to go before the school

boards for approval then they were responsible for forwarding approved plans onto the state.

The meeting length will be two hours, starting at 6:30pm and ending at 8:30pm.

The subcommittee's progress will determine the agenda for each meeting.

The decision making process was discussed and Mary Jane suggested two different methods. The first was to have each SAU/town form a caucus with their own RPC and each of the nine RPC's would have one vote. The other option was to have one person, one vote. This will be added to the next agenda for a decision to be made.

The following concerns were made in regards to voting methods:

- How votes would be taken? Mary Jane mentioned a show of hands unless another method was preferred.
- One person, one vote may not be a good way to go should some districts be more represented than others.
- There should be a consensus amongst each community with a caucus vote, should a 5-4 vote happen, it could be hard for communities.
- Would there be discussions before voting? Mary Jane answered yes.

Mary Jane was asked her opinion on which way she would recommend and she said she recommended the caucus.

Ground rules that Mary Jane suggested for the subcommittees were:

- Shared air time
- Start meetings on time
- Be respectful to other people, soft on people, hard on issues

Mary Jane also encouraged additional ground rules should anyone have something they would like to add to the list. Any ideas can be added at the next meeting.

Should someone not be able to continue on with their committee to the committee, a replacement will be chosen by the district or person that asked that person to be on the committee.

A question was raised on who would provide the information needed for each subcommittee. Mary Jane stated that the Superintendent's will provide all necessary information; they will also be assisting on the subcommittees.

The committee then separated into subcommittees to discuss the following:

- Define membership composition (number involved, balance of representation from SAU's)
- Organize basic roles (chair, note taker)
- Develop an official charge to the group (ideas/limitations)
- Establish clear timeline for report back to the whole committee

After working in subcommittees, the whole committee came back into one group and the chairs for each subcommittee were identified:

- Governance – Greg Ryan CSD 9
- Personnel – Mark Bossie SAD #9
- Finance - Greg Sherman SAD #70
- Asset & Liability – Myron Baldwin SAD #25 and Bob Cousins SAD #14

Mary Jane asked that each speak briefly on their subcommittee:

- Mark Bossie – They are going to see where things are now and in a couple of years. Will try to project where things are now with contacts money wise and where would be when done.
- Greg Sherman – Where they should be going, get budgets and models together and go from there.
- Greg Ryan – How the district is to be divided up.
- Myron Baldwin – There are 12-14 things to look at and what the districts have now, and any special circumstances.

Mary Jane mentioned that there was a workshop coming up in October she will be attending. It is being offered by Drummond Woodsum and co-sponsored by MSMA and The Department of Education.

The next meeting will be at the high school in Danforth, not the town office as originally indicated at the meeting. This meeting will take place on Thursday, October 4, 2007 at 6:30pm.

Respectfully Submitted,

Kelly Farnham

Regionalization Planning Committee

Meeting Minutes

Location: East Grand School, Danforth

Time: 6:30pm

Date: Thursday, October 4, 2007

Representatives from: MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Moro Plantation, Orient, Bancroft, and Hersey.

1. Bill Dobbins, Superintendent of MSAD #14, welcomed all the RPC participants.

- a. Mary Jane McCalmon asked if there were any new members to the RPC. There were no new members.
2. A copy of the minutes were distributed from the 10/4/07 meeting and Mary Jane asked the committee to review them for accuracy. A motion was made and then seconded to approve the minutes. The motion duly passed.
3. Mary Jane asked if there was any public comment related to the RPC's work. There were no public comments.
4. Updates (old business):
 - a. There is a \$2,500 grant available to support the work of the RPC for miscellaneous expenditures. This is now available and the grant application has been received and needs to be signed by the four subcommittee chairs. Mary Jane asked that each of these four individuals see her before the end of the meeting to sign the application. Bill Dobbins will provide the financial management service for this money.
 - b. The method of voting was discussed at the last meeting. One method discussed at the previous meeting was consensus. This plan, when completed, has to go to all of the school boards in the area and they have to vote and forward on to the state. Because this does have to go on to all of the school boards, it was felt that it would be very important that all agree. Mary Jane asked for comments or new ideas regarding voting procedures.
 1. It was mentioned that the caucus would be a good way with only 9 votes versus getting a whole group of people to agree upon something.
 2. For a consensus, there would need to be a majority in agreement.
 3. Mary Jane commented that she had a discussion with the Superintendent's that afternoon in regards to voting. There really needs to be a vast support or it could fail with limited support. It was agreed that an issue would be discussed until there was a consensus. If it was found that there was no consensus, a caucus method would then be suggested. It would then be tried a second time to reach consensus with adjustments suggested in caucus. If only clearly not able to reach consensus, would a one SAU/town one vote happen.
 4. It was asked if all RPC members can get copies of each subcommittees reports prior to any decisions being made. Mary Jane said that all minutes will be distributed for each subcommittees meeting.
 5. A question of what the role of the RPC is was asked. Mary Jane explained that the role is to recommend to the respective school boards a specific plan which describes the school board, how it is voted on, the cost sharing, etc.

6. A motion was made and then seconded to work by consensus, failing consensus on the first try, caucusing by SAU and coming back with adjustments to reach consensus a second time. The following discussion took place:
 - It was asked who decided consensus. The answer was the person running the meeting. Should there be significant objection, a caucus will take place.
 - There is no percent on consensus. The standard for consensus is when everyone is feeling positively about a proposal or at least can live with it.
 - A comment was made that everyone needs to focus on working together to make something work, positive energy needs to be put into the committees' efforts so that everyone is at least satisfied.
 7. The above motion duly passed.
 8. The master list of the RPC members was distributed and everyone was asked to review for accuracy and to make any necessary corrections. It was also asked that everyone add their e-mail address if they have one and haven't already.
5. New Business: Mary Jane attended a legal seminar last week, which suggested that each RPC have an official name, which would be included in certain legal documents. Mary Jane suggested that this committee leave the actual district naming to the new school board and use the number of RSU #4 as assigned by the state, to formerly refer to this committee as RPC #4. The decision was made that RPC #4 would be the name for this committee.
 - a. A book will be distributed in the subcommittee meeting that was given out in the legal seminar that Mary Jane attended. The book explains to each subcommittee what specifically needs to be in their plan. Mary Jane will also distribute a document listing out each subcommittee and what areas of the book will be specific to their work.
6. The floor was opened to the RPC for questions. There were no questions at this time. Mary Jane asked that all recorders for each subcommittee e-mail their minutes to Kelly Farnham to maintain record of all work done in each subcommittee. It was suggested that within seven (7) days all minutes be e-mailed to Kelly.
7. The RPC broke out into subcommittee for their work time.
8. The RPC came back from their subcommittee work time and Mary Jane asked that each subcommittee Chair provide updates:
 - Greg Ryan – The ward system was discussed with each ward being the same as the old school districts, they will ask the state if this will work. Twelve school board members are proposed for the new school board.

- Greg Sherman – They are figuring out where to go. Budgets are needed and Steve Fitzpatrick and Bob McDaniels provided models regarding administrative structure. EPS numbers are needed from the state. They talked about crunching numbers and they need to decide what direction to go in.
- Mark Bossie – They are focusing on gathering information on contracts (collective bargaining) and whether or not to recommend terminating some or trying to combine some. Right now, they are just gathering information.
- Myron Baldwin – They reviewed templates and had consensus on how they will approach this. They need to determine what assets might not go with the RSU and what debts might be reoccurring.

Mary Jane reminded the recorders to get their subcommittee meeting minutes to Kelly as soon as possible so that they could get out to all RPC members in a timely manner. The floor was opened up for questions. There were no questions asked at this time, but Mark Bossie did mention that they had a good subcommittee meeting. It was very positive and he hoped that it was the same with the other subcommittees. Mary Jane mentioned that from her stopping in on each subcommittee, everyone was really trying to understand data or discussing elements of the responsibility they had. Everyone was earnestly doing the work. Another comment was made regarding a concern of the time that the Superintendents are spending away from their districts, but thankful that they are providing all of the information needed to the subcommittees.

Respectfully Submitted,

Kelly Farnham

Regionalization Planning Committee

Meeting Minutes

Location: Katahdin High School, Stacyville

Time: 6:30pm

Date: Monday, October 15, 2007

Representatives from: MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Moro Plantation, Orient, Bancroft, and Hersey.

9. John Doe, Superintendent of MSAD #25, welcomed all the RPC participants.
 - a. Mary Jane McCalmon asked if there were any new members to the RPC. There were no new members.

10. A copy of the minutes was distributed from the 10/4/07 meeting. A motion was made and then seconded to approve the minutes. The motion duly passed. The minutes for the whole RPC meeting as well as 2 of the subcommittee meeting minutes were sent out electronically and the other 2 subcommittee meeting minutes were distributed in hard copy at this meeting. Working on getting all minutes out electronically. Some people didn't receive the minutes, so Mary Jane asked that everyone review the master list of RPC members to ensure accurate e-mail and phone information. Mary Jane also asked that any new members add their information to the member list. One new member was welcomed.
11. Mary Jane asked if there was any public comment related to the RPC's work. There were no public comments.
12. Mary Jane asked if there were any generic questions from the RPC members that they might have for whole committee. There were no questions.
13. The RPC broke into their subcommittee groups.
14. The RPC came back from their subcommittee work time and Mary Jane asked that each subcommittee Chair provide updates:
 - Myron Baldwin – Their meeting was eventful. They reached agreement on 80% of their items discussed. There are three items outstanding. One of which was school choice. Bancroft currently sends some of their students outside of what would be the RSU. Which means they might have additional costs. This topic will need further discussion. The second item is to look at real property assets and exclude property that is going to be turned over to the RSU. Currently SAD 29 has approximately 100 acres consisting of the Bird Farm that they are thinking about transferring 80% to the town. CSD 9 hasn't decided yet, they have 156 acres, SAD 70 has 80 acres and SAD 25 has 25 acres. These SADs/CSDs hopefully at the next meeting will decide whether they want this excluded or turned over to the RSU. All other items have consensus. The final item is the \$5,000,000 bond that SAD 29 has for the Fine Arts Center and need to decide or not if that will be assumed by the RSU.
 - Greg Ryan – At the last meeting it was mentioned that they thought there would be 12 school board members but that number is now up to 15. They are looking at dividing Houlton out into one subcommittee and Monticello, Littleton, and Hammond would be one subcommittee. Other than that, everyone else would stay as the old school districts. There was a consensus in this decision and now need to send this to Augusta to have the numbers worked out. The other thing left to do is the election of the initial board of directors and that was left for homework for the next meeting.
 - Mark Bossie – They went over contracts and salaries for teachers and support staff and came to the conclusion that it is very complicated due to different unions, salary scales, and health benefits. Also came to conclusion that they are not going to change that but it will be left up to the board as to how to bring everything together. The next meeting they are going to look at service contracts

for student services which would include speech therapists and occupational therapists, and see how many would be used and how many could be moved around to be used in other districts. Also talked about hiring instead of contracting services out.

- Greg Sherman – Steve and Bob presented their subcommittee with a draft allocation of the funding spreadsheet to give them a feel of the impact is going to be for each school unit and town. There are going to be some winners and some losers. There may be some law changes in January to help mediate those winner and loser situations. Once numbers are verified and law changes take place, there will be a timing issue. This cannot be rushed into. Houlton was a loser by \$227,000 so that needs to be looked at. Steve and Bob distributed EDU 281's and explained how the EPS formula works. Also handed out were the salaries at the district level for the administrative services that are performed at each level. These will be reviewed in more depth at the next meeting. They also discussed aligning the town budgets with the SAU and CSD's. It is going to be a time consuming process. There will be further discussions regarding this with Jim Ryer and the Superintendent's.

Mary Jane expected that at the meeting after next, the Assets and Liability subcommittee would come before the whole RPC for discussion and consensus.

At closing, Mary Jane reminded everyone to review the master member list if they hadn't already. She also suggested that members check their junk mail should they not be receiving the e-mails for the meeting minutes. The next meeting is October 29, 2007 at the Southern Aroostook Community School.

Respectfully Submitted,

Kelly Farnham

Regionalization Planning Committee

Meeting Minutes

Location: Southern Aroostook School, Dyer Brook

Time: 6:30pm

Date: Monday, October 29, 2007

Representatives from: MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Moro Plantation, Orient, Bancroft, and Hersey.

15. Terry Comeau, Superintendent of CSD #9, welcomed all the RPC participants.

16. Mike Howard facilitated the meeting in Mary Jane's absence. Mike had the agenda and timeline distributed as well as the minutes from the RPC meeting and subcommittee meeting from 10/15/07. A motion was made and then seconded to approve the minutes. The motion duly passed.
17. Mike asked if there was any public comment related to the RPC's work. There were no public comments.
18. Mike discussed the Timeline that was distributed. Each subcommittee was provided a laptop in which the Drummond Woodsum template was added for each subcommittee's components to be added. Kelly will compile each subcommittee's portion and provide to the Superintendent's by Friday, November 2 for their Superintendent's meeting. This will allow them to have information to provide to their school boards. Bill Dobbins will be sending the information to Augusta and will need each subcommittee chairs signature.
19. Mike asked if there were any question. There were none.
20. The RPC broke into their subcommittee groups.
21. The RPC came back from their subcommittee work time and Mike mentioned the upcoming RPC meeting dates:
 - a. Thursday, November 15, 2007 at Houlton Southside School
 - b. Tuesday, December 4, 2007 at Mill Pond School (formerly Hodgdon Elementary School)
22. Mike asked that each subcommittee Chair provide updates:
 - Myron Baldwin – They have two incomplete items. The description of excluded property and the new capital project that will be assumed and the new capital project that will not be assumed. It is still to be determined which of the two categories that the Houlton Community Arts Center will fall under.
 - Greg Ryan – There will be six subcommittees and 15 board members for the new RSU. A handout outlining this was passed around and is attached to the minutes. As it stands now, in August 2008 those interested in being on the new school board would pick up the paperwork at their town office, the election would be in November 2008, the term would start in January 2009, but not start until July 2009.
 - Dawn Dougan (for Mark Bossie) – They reviewed two templates. Personnel contracts in each district and their expiration dates and external contracts of services used. By the end of the next meeting, they will be able to provide an update.
 - Greg Sherman – They reviewed the draft model of what the new central office will look like. Their next step is to look at the costs related to the central office.

The Superintendent's have a meeting this Friday to discuss this. Going forward, the subcommittee needs to crunch numbers.

Greg Sherman mentioned that Brian McGuire asked that he relay that he has copies of the petition.

A question was asked to Greg Sherman if he saw any savings. Greg said he was unsure at this point. They still have work to do and they are waiting on some things from the state.

Mike mentioned the Timeline and that each group will provide their information to Kelly to forward onto the Superintendent's for their meeting on Friday. He also mentioned that a good portion of the next meeting will be review of where everyone is at.

A final comment was made by an RPC member that whatever the finance committee decides, this is just not in the best interest, the petitions need to get out.

The meeting adjourned.

Respectfully Submitted,

Kelly Farnham

Regionalization Planning Committee

Meeting Minutes

Location: Houlton Southside School, Houlton

Time: 6:30pm

Date: Thursday, November 15, 2007

Representatives from: MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Moro Plantation, Orient, Bancroft, and Hersey.

23. Steve Fitzpatrick, Superintendent of MSAD #29, welcomed all the RPC participants.
24. Mary Jane asked for the approval of the October 29, 2007 minutes, a motion was made and then seconded to approve the minutes. The motion duly passed.
25. Mary Jane asked if there was any public comment related to the RPC's work. There were no public comments.

26. Mary Jane asked if there were any questions from the RPC members that they might have for the committee. There were no questions.
27. Mary Jane explained that the goal for tonight's meeting is to review what is being submitted for the December 1st deadline. A copy of the work in progress Regionalization Plan that is being submitted to the state as of now was distributed. Currently, the only portion of the plan completed is who all of the members of the RPC planning group are, other than that, everything is marked in process. Mary Jane asked everyone to break into subcommittees and review the portions of the plan each subcommittee's are responsible for and ensure accuracy. Once the review is completed by each of the subcommittees the subcommittees will return to the whole group for a review of the entire plan. After the review for accuracy, each subcommittee chair will then present to the entire group their work in detail and what are they struggling with and what they have left remaining to do. The group broke into subcommittees for 30 minutes.
28. The subcommittees returned to the main group and the plan was discussed. The plan will be reviewed and any discrepancies should be brought up. Mary Jane said she would assume that the plan is accurate unless she hears from the subcommittee in charge of that item.
1. complete
 2. not complete
 3. undecided, still focusing on method D
 4. undecided, subcommittee would like to recommend that there be no local school committees
 5. Disposition of real and personal school property
 - A. incomplete
 - B. none listed
 - C. none
 6. Existing school indebtedness
 - A. see items listed
 - B. see items listed
 - C. incompleted
 - D. incomplete
 - E. incomplete – not discussed
 - F. incomplete
 7. Assignment of school personnel contracts
 - B. a few things need to be added
 - C. see list, more need to be added to the list
 - all personnel polices are ok
 8. all are ok
 9. finance subcommittee still working on
 10. all meeting minutes are attached, this evenings minutes will be added
 11. undetermined

12. undetermined, still being discussed

13. undetermined

- A. incomplete
- B. incomplete
- C. undecided
- D. Bancroft added but need to remove last line stating
“New students must attend within RSU #4”
- E. remove none and change to incomplete
- F. pending completion of plan
- G. undecided

Mary Jane mentioned that each school board will need to vote to submit the plan to the state and sign that they’ve voted. One of the Superintendent’s will be responsible for getting the final plan off to Augusta reflecting the changes. She also would like to have a final version for the next meeting.

The subcommittee chairman’s provided updates on their committees work:

Governance – They are currently working on sub districts to be as follows:

East Grand	1 director, 55 votes
Hodgdon	3 directors, 66 votes each
Houlton	5 directors, 69 votes each
Houlton North	2 directors, 51 votes each
(Littleton, Hammond, Monticello)	
So. Aroostook	2 directors, 73 votes each
Katahdin	2 directors, 76 votes each

Votes are based upon population (1,000 total votes). This would not change yearly unless it is asked to change and must be approved by the state. Anyone can request (in writing) a change in the school board. All requests are reviewed by the Commissioner of Education. This is a process that currently exists. The 2006 US Census data was used to determine the population for the votes for each sub district as directed by the Department of Education. They also recommend that there be no local school committees. The subcommittee felt it would be a conflict between schools and the main district. They are still discussing board members.

Assets & Liabilities – On page 2, 5a, land owned by the SAU’s is still incomplete. Personal property, there wasn’t anything. The indebtedness listed in 6a will be assumed because they were approved by the state. Agreements that will not be assumed are listed in 6b. Item 6c&d are incomplete and still need to be discussed, specifically the bond issue in Houlton. Items 6e&f are incomplete and have yet to be discussed. Item 8 regarding reserve funds will be designated to go to reduce taxes for that year within the RSU. There are no trust funds. The last item is #13D, of which there are no tuition contract. The only town affected by school

choice is Bancroft. Bancroft has not yet decided if they will be joining the RSU #4. A question was asked about Bancroft and the school choice. Bancroft students will be the only ones allowed to attend school outside of the RSU should they choose. It was explained that there might be additional costs should this happen. A question was also asked about lease payments and bonds on page 4 of the plan. It was felt by the subcommittee that if those school districts committed those funds, then the towns should continue to pay for it.

Contracts – There is a great deal of depth to the committee as to what information is there. Page 6 of the plan lists the teachers and support staff and there is more that needs to be added. Page 7 lists out the contracts and the possibility exists to merge some of them in the future but that will be left up to the new board. Page 10 is on the SAU boards and what contracts they shall look to possibly merge.

Finance – They are feeling a lot of frustration, which seems to be a common theme across the state. They are still gathering information, but they have gathered all the budgets and 281's. They are having difficulty, but they are working on aligning the budgets. On page 13 regarding the transitional plan, they are working on this and have several models of what the central office will look like. The next step is to assign costs to the central office. Page 29 an estimate of cost savings, they don't believe there will be a cost savings. The next step to nail down central office, special education and transportation cost savings. On 13B future legislation may affect this. A question was asked if it would need to be decided soon to allocate money to hire a superintendent and secretary prior to the start of the RSU. Not sure if need to hire 6 months in advance or not. It would appear it would happen as follows: November 2008 would be voting on the 15 member super board and then January 1, 2009 will have to approve a secretary and put together a budget.

Mary Jane reminded those boards that have voted on the Regionalization Plan to have their Superintendent or representative sign the cover sheet.

29. The next RPC meeting will be Tuesday, December 4, 2007 at Hodgdon High School. At the next meeting, the January meeting will be determined.

The meeting adjourned.

Respectfully Submitted,

Kelly Farnham

Regionalization Planning Committee

Meeting Minutes

Location: Mill Pond School, Hodgdon

Time: 6:30pm

Date: Tuesday, January 8, 2008

Representatives from: MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Moro Plantation, Orient, Bancroft, and Hersey.

1. Bob McDaniels, Superintendent of MSAD #70, welcomed all the RPC participants.
2. Mary Jane asked for the approval of the November 15, 2007 minutes, a motion was made and then seconded to approve the minutes. The motion duly passed.
3. Mary Jane asked if there was any public comment related to the RPC's work. There were a few people from the public attending, one of whom mentioned they were here for information. There were no other public comments.
4. Mary Jane mentioned that in everyone's chair was a copy of the letter from Commissioner Gendron in response to the Reorganization Plan that was submitted. She mentioned that the committee can ask questions regarding this letter in their subcommittee group, or if their question fell outside of their subcommittee, they can ask now. She also welcomed any other questions. She will open up the meeting for additional questions at the end as well.
 - a. Mary Jane summarized the letter from Commissioner Gendron stating that all is well and nothing is in error, but continued work is needed. Many areas were marked as incomplete, but that was expected. The next submission due date is 2/1/08. The plan submitted on 2/1/08 will not differ much from the plan submitted on 12/1/07. The state is trying to keep a regular check on everyone's progress. She expects that we will need to submit our plan on a monthly basis. At this time she is not sure if each school board will need to approve each submission of the plan.
 - b. The Personnel and Asset & Liability subcommittees have a major portion of their work done. The other two subcommittees, Governance and Finance, still have a lot of work to do. Mary Jane invited members of the Personnel and Asset & Liability subcommittees to break out and join the other two subcommittees. She said for those going to a new subcommittee, feel free to be heard or just listen.
 - c. Mary Jane suggested the formation of an additional subcommittee. One of the things that needs to be written into the plan is how the SAU's will share the costs. She is suggesting a new subcommittee to complete this piece. She requested that each town meet separately to determine who will go to the new subcommittee called Cost Sharing. She also stated that

she has some ideas she can share on how this new subcommittee can get started. It would be easier for the Personnel and Assets & Liabilities members to join the Cost Sharing subcommittee but there needs to be a fair representation from each SAU and town.

- d. A comments was made that the Finance subcommittee still had a lot of work to do and the closer they are getting to realizing there are not going to be any savings. He asked at what point does this group make a statement or stop meeting. He feels that this is not going to save the area any money and local control is going to be lost. He asked if we keep going forward with this are we saying, is this a good idea? He read in the Bangor Daily News that most of the RPC meeting plans were submitted and finalized. The Bangor Daily News gives this impression that the plans were finalized. He feels that the 27 towns out there are asking the RPC members how it is going, he replies not good and they say that is not what the papers are saying. At some point, this group has to make a statement and say this isn't working. He said it is all about money. Mary Jane responded that she has documentation that there are no plans done anywhere in the state. The law requires that each RPC submit a plan. Almost all plans have several components that are significantly incomplete. There wasn't any position requested in the submission of the plans, so the press's take on it maybe through the voice of the department, may have put a spin on it. Another comment was made that he does not believe it will work or save any money. If it does save money, can he be ensured that the local control will not be lost? Everyone is so far apart it is a logistical nightmare. He is all for lower property taxes, but he just does not see it. Mary Jane said that tonight the Finance committee is going to be looking at the configuration of what the new district office would look like in terms of staffing and put a cost to that. She feels we are not there yet to determine if there is going to be any cost savings, there is still a little way to go. She doesn't blame him for worrying about this because a lot of places around the state that are coming closer to the conclusion that they won't see any savings or any significant savings. She understands the concerns but they do not feel we are quite in a place yet where we can definitively say we are not there. He asked if we got to that point, then what? Mary Jane said that then we need to have a discussion as a whole group. The law requires that the plan be put together and it is the voters that decide. You cannot just not submit a plan. She confirmed that the individual making the comments didn't want to submit something that would harm his credibility. She asked that he stay with us a little longer. Another comment was made by another individual stating it looks like they all supported this because of being on the committee. Mary Jane said that all we can do is tell the truth on what we found out and let the voters decide.
- e. Mary Jane commented on Bill 1932, which has several changes in it. One of the changes is the ability to figure out how to share the costs to run the RSU that best suits the SAU's and towns. She mentioned that there is

several different ways to look at cost savings. At this time, she is not sure what the Education Committee is trying to do. She stated all we can do is continue on, collect data, know what we are getting in to, and let the voters decide.

5. The RPC committee broke out into subcommittees for work time.
6. The RPC came back from their subcommittee work time and Mary Jane stated that the next scheduled RPC date is Tuesday, January 22, 2008 at 6:30pm in Danforth at East Grand School. Each subcommittee chair then provided an update:
 - a. Greg Ryan, Governance – They discussed the local committee again and they recommend that there be no local committee. They sent their RSU breakdown of their proposed board to the state and it was sent back to them requesting that they seek legal council to have it checked. He asked for permission to have this done. It was asked who paid for this, and Mary Jane said that money had been set aside for legal fees and she is checking to make sure that this qualifies to be reimbursed for by the state. They specifically need to check on the one man one vote.
 - b. Greg Sherman, Finance – They reviewed the model for budget and staffing. It calls for five and one half employees in the central office but they bumped it up to seven with the following positions and possible salaries:
 1. Superintendent - \$100,000
 2. Assistant Superintendent - \$80,000
 3. Business Manager - \$60,000
 4. Payroll - \$35,000
 5. Bookkeeper - \$35,000
 6. Administrative Assistant - \$32,000
 7. Secretary - \$25,000They will get figures on benefit costs for the next meeting.
 - c. Paul Harrison, Cost Savings – At the next meeting, they will get 281's to review so they can understand where they are at and how they can get there. They are also going to review a couple of the 10 options they were provided. They will look at the districts continuing to pay what they are over the EPS. As the RSU grows and becomes more efficient, that may change.
7. The next RPC meeting will be Tuesday, January 22, 2008 at East Grand School in Danforth.

The meeting adjourned.

Respectfully Submitted,
Kelly Farnham

Regionalization Planning Committee

Meeting Minutes

Location: East Grand School, Danforth

Time: 6:30pm

Date: Monday, February 25, 2008

Representatives from: MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Moro Plantation, Orient, Bancroft, and Hersey.

1. Bill Dobbins, Superintendent of MSAD #14, welcomed all the RPC participants.
2. Mary Jane asked for the approval of the January 8, 2008 minutes, a motion was made and then seconded to approve the minutes. The motion duly passed.
3. Mary Jane asked if there was any public comment related to the RPC's work. There were none.
4. Mary Jane asked if there were any questions or comments from the RPC members. It was asked where we stand with the legislative action taken today. Mary Jane was not sure, but she would look into it and forward any information to Kelly Farnham to relay to all of the RPC members. Mary Jane said that currently there are a couple of school districts around the state that are done with their plan and some that are almost done. It is anticipated that there are about 10 that will go before the voters in their respective communities in June, the rest will not be done, but will be November votes.
5. Mary Jane explained that she put the consideration of a governance plan for the new RSU on the agenda thinking that they were done. There will be no voting on Governance at this point, whereas they will have some work to do.
6. The RPC committee broke out into subcommittees for work time.
7. The RPC came back from their subcommittee work time and Mary Jane had a few items to mention: She had the request for the second \$2,500 for miscellaneous expenses that needed each subcommittee chair's signature. She asked that they sign it on their way out after the meeting. Also, no subcommittee minutes were received from the last meeting. She asked that those taking notes to please make sure that they are e-mailed to Kelly. She has also had a suggestion that there be a pre-work meeting for the Finance committee. The next RPC meeting is scheduled for March 17, 2008 at Katahdin. Each subcommittee chair then provided an update:
 - a. Governance – They discussed 13C, which is the election of the board of directors. They will check the law to see what would happen if no one took out papers and how they would fix that. They did receive a letter

back from the lawyers stating that the subcommittees plan does meet Method D, the one-person, one-vote requirement and it is constitutional and complies with the statute. They also discussed the configuration of terms for the first board members. East Grand would have one board member with a three year term, which everyone would have in the end. Hodgdon would have one three year term, one two year term, and a one, one year term. Houlton would have a one three year term, a one two year term, and three one year terms. Houlton North would have one two year term and one, one year term. Southern Aroostook would have one three year term and one two year term. Katahdin would have one three year term and one two year term. Eventually everyone would have a three year term, this would help to stagger for reelections. After two years, everyone will have a three year term.

- b. Finance – They discussed that the state probably will not fund the total transition so-it was discussed what this will look like. They are going to look at figures from other plans to see what other costs are. They are asking for another Finance committee meeting so they can look at the transitional costs. Also talked about a transition team, once the RPC has dissolved. They talked about the transition secretary, how long it would be to hire a Superintendent, and space to house the transition group. They hope to have figures together the next time they meet. Mary Jane asked if they had agreed on what the system administration was going to look like. The subcommittee had chosen option three of the state model.
- c. Cost Share – Bill Dobbins explained to them how the money comes to the district and look at a chart of where they are now. He also showed them the current law as it stands right now by valuation only. Unless the law is amended, they are stuck with this and cannot do anything. The rumor is that it will be changed. Their committee asked Bill, for next time, to come up with a ratio of student valuation that comes as close as he can to the current figures. Then over a four year period, bring that down until they get to the full valuation. They feel by doing this, it will encourage districts to find ways to consolidation and share, melting away the borders. By valuation, there will be winners and losers. Down the road, money will be saved.

- 8. Mary Jane said that the Finance Committee will meet in the interim and the next RPC meeting as a large group will be Monday, March 17, 2008 at Katahdin. She will call and get a status of the legislation and if she finds out anything specific, she will e-mail to Kelly to distribute.

The meeting adjourned.

Respectfully Submitted,

Kelly Farnham

Regionalization Planning Committee

Meeting Minutes

Location: Kathadin High School, Stacyville

Time: 6:30pm

Date: Monday, March 17, 2008

Representatives from: MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Moro Plantation, Orient, Bancroft, and Hersey.

1. John Doe, Superintendent of MSAD #25, welcomed all the RPC participants.
2. Mary Jane asked for the approval of the February 25, 2008 minutes. It was asked for clarification of minutes in section 7c, sentence three. It is thought that it should read "Unless the law is amended". It was agreed to modify the minutes. A motion was made and then seconded to approve the minutes. The motion duly passed.
3. Mary Jane asked if there was any public comments related to the RPC's work. There were none.
4. Mary Jane asked if there were any comment or questions from the committee. It was asked if there was going to be an update from the Finance committee from their meeting last week. Steve Fitzpatrick explained that they will discuss as a subcommittee then bring back to the full group for review. It was asked if the Assets & Liability subcommittee meeting would be meeting tonight. Mary Jane explained that they would not be, and that the Finance, Cost Sharing, and Governance subcommittees would be the ones meeting tonight. Personnel and Assets & Liabilities will not be. There are a few issues unresolved by the respective school boards related to the Assets & Liabilities. Bill Dobbins explained that they are waiting on language from the attorneys on how to handle the land and buildings so that it can be taken back to each district's school boards. It was asked that until issues are resolved by the legislature, are we wasting our time? Mary Jane said that everyone has to make up their own mind if they think they are wasting their time or not. Her understanding in talking with a couple of people, is that there is a conference committee between the house and the senate to resolve differences in the versions of 1932 that were passed by each and a couple of things were added, probably complicating things. She mentioned that if the governor was likely to veto it before, he is certainly more likely even to veto it now. That would bring us back to zero to the original legislation which requires that one size fits all to cost sharing which was the problem they were trying to fix in the first place. The governor has already included in his supplemental budget bill two or three fixes. It was mentioned that aid to education is already being decreased by \$34 million dollars. Mary Jane said that there was a very complicated budget situation in Augusta in addition to all the consolidation stuff going on. There is significantly less money being distributed to schools than

originally thought there would be. Mary Jane said that this is frustrating to people all over, that some have decided not to meet until things have been resolved, yet others are forging ahead and ready to have their plans to go out to referendum in June. She mentioned that there is no right or wrong way to go about this. Caribou has not met since December. Mary Jane explained that there is a very favorable option of the union concept up there and they are hoping that will go through. They are just waiting to see how it goes in Augusta. She also mentioned that the state has about a month left to fix things. It was stated that there has been a lot of talk about standing alone and it was asked how much power does Susan Gendron have if we don't do this? Mary Jane said that she can e-mail the summary on how to figure out the penalties. She mentioned that the penalties are not a one year, one time thing, the penalties will be ongoing. Mary Jane explained that the Cost Sharing committee will be discussing this further. It was asked what would happen if every town in RSU 4 voted this down. Bill Dobbins said that there will be the penalties, then you still have to come up with an RSU. There would be stand alone penalties. A comment was made that if everyone votes this down, the state needs to listen. It was asked if we have no choice, then what are we doing here? Mary Jane said that the law states that people need to come up with a plan you feel is best for your area. It was mentioned that litigation will probably follow assessment of penalties.

5. The RPC came back from their subcommittee work time and updates were presented by each of the subcommittees that met:
 - a. Governance – They made a decision that municipality means sub district, other than that they need to wait on the election of the initial regional school board. They would like to meet next time.
 - b. Cost Share – They looked at the law and completing by students. Went through students, but that does not look good. They are waiting on the latest figures on cost sharing. They would like to meet next time.
 - c. Finance – They met this past Wednesday. They briefed their committee on work that was done that day. They approved a transitional budget of approximately \$200,000. They are going to recommend at some point that the valuation be used for each town to determine the start up budget projections. They are also going to recommend the use of the ACAP building next to Region II to be used for the transitional governance of the RSU for the six month period. There will be no cost, other than \$1.00 and utilities, which is part of the budget. Their next step is to develop a budget and a budget for current contracts. It was asked about the location and the new school board determining the location. Steve Fitzpatrick explained that this is just an interim location for six months of the transition period.
6. Mary Jane said that the next meeting will be on April 15, 2008 at Southern Aroostook. It was agreed that Governance, Cost Sharing, and Finance will be the

only ones to meet at the next meeting. Anyone on the other two subcommittees are welcome to attend should they wish.

The meeting adjourned.

Respectfully Submitted,

Kelly Farnham

Regionalization Planning Committee

Meeting Minutes

Location: Southern Aroostook Community School, Dyer Brook

Time: 6:30pm

Date: Tuesday, April 15, 2008

Representatives from: MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Moro Plantation, Orient, Bancroft, and Hersey.

1. Mary Jane welcomed all the RPC participants.
2. Mary Jane asked for the approval of the March 17, 2008 minutes. A motion was made and then seconded to approve the minutes. The motion duly passed.
3. Mary Jane asked if there was any public comment related to the RPC's work. There were none.
4. Mary Jane asked if there were any comments or questions from the committee. It was asked if they would be able to talk after the subcommittee time and Mary Jane said yes. Mary Jane said that she did not have anything to report. She mentioned that they are at the end of legislative session. They will be done within a week or so. There is currently no resolution and we should know within a week if there will be any fix to the cost sharing. Right now we are back to the original law. She is told by people in Augusta not to get worried. If she hears anything she will pass on to the Superintendent's to relay out to the committee. The revenue forecasting group will be getting together this week and guaranteed there will be another \$175 hundred-million hole beyond what they have already identified. The guess is that they will go to the rainy day fund. Mary Jane said that the RPC would continue and we should know something by the next meeting. There is a request on the agenda (number five). Steve Fitzpatrick will present and will need an agreement early on the possible temporary location of the superintendent, school board and secretary's office in the period prior to the start up. Assuming this passes, there would be a school board election more than likely in January 2009 and the first thing they do is to hire a superintendent. From

January 2009 until the July 1, 2009 start up, a temporary location needs to be chosen for them to work out of. The finance committee has discussed this and they will present to the whole group.

5. Steve Fitzpatrick met with the Finance Subcommittee on March 12, 2008 and they came up with a plan for the transitional RSU central office and voted unanimously on three things; a transitional budget of \$200,000.00, the cost sharing method to distribute and assess the transitional budget to each town/SAU, and the use of the SAVE/ACAP building in Houlton for the transitional central office for a rental amount of \$1.00 plus utilities. There would need to be minor renovations and would be transitional only. Included in the transitional budget was a small line for modifications that may be needed to the building. Mary Jane asked if it was the intent of the committee to discuss all three items tonight and vote. Steve said that it had not been discussed and left it up to Mary Jane. Mike Howard mentioned that he needs to know by the end of April if the ACAP building would be agreed to be used so he can give ACAP notice, or their contract will automatically renew for another year. The building being considered is currently being leased to ACAP for child care. The following questions were asked:

Question: Who is paying the heat and electric now until January 2009?

Answer: Steve Fitzpatrick said that a piece has been built into the budget and it was based upon a yearly consumption of fuel. He is not sure of the cost of the electric, but he recommends that the RPC to assume.

Question: What renovations and costs are needed?

Answer: Steve mentioned that there might need to be cubicles or temporary walls.

Question: Are there any offices currently there?

Answer: There is one office currently. Steve mentioned that not much would be needed in the way of renovations and \$3,000.00 had been allotted in the transitional budget. It was thought additional wiring might be needed, specifically around technology.

Question: Was any other facility identified?

Answer: Steve said that no other facilities were considered because the ACAP building was virtually rent-free.

Question: When is the current lease up?

Answer: June 30, 2008.

Question: Is ACAP currently paying Region II?

Answer: Yes, \$1.00 lease per year. When the building was originally set up with a grant it was for childcare. When Region II stopped doing daycare they either had to continue to use the building for daycare or pay back the cost of the grant. ACAP started using the building because of this. They pay a \$1.00 lease and all utilities.

Question: Are you (directed at Mike Howard) going to have to repay (the grant)?

Answer: No, we are beyond that point.

Question: How are small towns who have already done their budget going to get the extra money for the transitional budget?

Answer: It has already been included in the budgets.

Question: In a year will ACAP want the building back?

Answer: Not sure.

Question: In a year, it may not be a superintendent's office, will this put Region II in a financial bind?

Answer: Yes, it could. At that point they would be responsible for the heat and utilities at an extra \$5,000-\$6,000 per year.

Question: Is it big enough to keep if the RSU goes through?

Answer: Not sure. Steve Fitzpatrick said it would be larger than any current superintendent's space right now. Staff is not significantly larger and he believes that it is large enough.

Question: Staffing from January to July, how many people would that be?

Answer: There will be one superintendent, and one, maybe two secretaries.

Question: Is ACAP larger than three people need?

Answer: Mike Howard said that it is a 24-child facility.

Comment: It seems that once they are in there, then that is where the new RSU headquarters will be.

Answer: Mary Jane said that where the RSU's central office would be would be up to the new RSU school board.

Question: If there were only going to be three people, they why would they need temp walls?

Answer: Steve said that he agreed. The budget amount added was added as a contingency. It might not be necessary and may be ok as it is. No conversation has been had regarding what renovations might be necessary.

Question: If notice is given to ACAP, when will they vacate?

Answer: June 30, 2008.

Question: What are the utilities?

Answer: Heat is approximately \$2,100.00 per year. Electric about \$150.00 per month for a total of about \$4,000.00 to \$5,000.00 per year.

Question: We are under the assumption that this will be passed, but what if it is not? Is there space in Houlton that can be rented for a couple of months? SAVE will be out a tenant.

Answer: There is no guarantee what will happen.

Question: With all the large schools, we cannot find a large room or classroom to use?

Answer: Steve said that the new superintendent and secretary would need access to technology. This building is technology ready. No current superintendent offices can handle another superintendent.

Question: Do not all schools have wireless internet?

Answer: Yes.

Comment: We have to assume that it is going to pass. Even if it is temporary, it is going to take the new board longer than a year to set up, they are going to be there more than one year.

Comment: With the timeframe that we had to work with and the hurry up and wait. This was the best offer on the table at the time. All are going to have to go see the other schools.

Question: Can local school districts get together and talk it over before the vote?

Answer: Mary Jane said that the process agreed to be used was to vote on the basis of consensus. Consensus meant that you didn't have to be crazy about the idea, but you can live with the idea. No one can be really strongly opposed or there would be no consensus. If no consensus, then they would go to caucus and see what would need to be changed in the process and then there would be one vote per school district or town.

Comment: Believe that this is not a temporary six month thing and that the superintendent's need to go back and rethink.

Question: Is any school more centrally with space available that would meet the needs? If something has to be built, then looking at a lot more costs than what you would be worrying about paying in fuel.

Comment: When looking at a map, if you are coming from Danforth north and coming from Katahdin north, there is no highway that puts us right in the center in terms of travel. The general Houlton area is basically the shortest distance because of the highways based upon the map.

Question: Mary Jane asked if there was a place that is centrally located that might have some space where a few people could operate a temporary office?

Answer: Steve said that the ATM room at Houlton High School could be used. This room has a separate entrance. Terry Comeau mentioned that there is a Russ Grant coming in the near future with portable equipment. Mike Howard said that the Houlton ATM room is the largest and has a separate office off of it.

Question: Did all of the Superintendents vote unanimously on this?

Answer: No, this came through the Finance Subcommittee.

Question: We don't have to decide tonight, we have other options?

Question: Can the facilities mentioned handle a 15 person board meeting and enough space to work in?

Answer: Board meetings are held in more public places. The size of the Houlton ATM room is about 30 feet by 30 feet.

Question: Is the room situated such that it will not interrupt school?

Answer: Dawn Dougan mentioned that it has its own entrance.

Question: Where would people like to have the temporary central office?

Comment: If ACAP can house three people with chance of expansion, versus a 30x30 room, what happens if they run out of space? The best option after July 2009 may be to keep and not have to build or find something bigger.

Comment: Do not feel comfortable with ACAP as potential permanent location.

Question: Is there a contract every year?

Answer: Yes.

Question: Next year, this could still be an option?

Answer: Yes.

Comment: This is the cheapest bet and it will only cost \$1.00. No matter what we do, it is only going to last until the new school board and they will make all the decisions from there. Does not believe we will get a better deal than that.

Comment: Does not believe that we should short change those running the RSU on space, area, time, etc. by giving them a small space to work in.

Comment: Thinks this is a good idea.

Comment: Believes that this is the best option on the table right now and regardless of what happens down the road, we are charged with putting a plan together.

Believes that the building can be leased again in the future. There is a large need for childcare in Houlton and believes that it will be easy to lease out again.

Question: How many zones are in the building and is it baseboard heat?

Answer: Mike Howard said he was unsure of how many zones and believes that it is baseboard heat.

Comment: During the renovations, might want to consider adding a zone to allow the heat to be turned down in that zone to save on heat. If there are meetings, then can turn up the heat.

Comment: \$3,000.00 is less than what it would cost to add a zone.

Comment: This makes sense to rent for \$1.00.

Mary Jane did a consensus test. There were two cannot live with using the ACAP building. The group broke out into their towns/SAU for a caucus.

The groups returned to the full group and the following questions were asked:

Question: Even though money has been set aside, until there is a vote, the RSU cannot spend any of the money. If it is decided to use the ACAP building, and the it is not voted for whatever reason and a year goes by and a decision hasn't been made, who is going to pay for the building? Is Region II going to absorb the cost of it?

Answer: Mary Jane said that it was already built into the SAU budget. Those boards can expend that money which is earmarked for this purpose. They have a separate account but it is included in their bottom line totals.

Question: Who can spend the money? Who pays the maintenance to keep the building running?

Question: Can this group expend the funds?

Answer: Mary Jane said that this group has no authorization to spend money in the transitional budget.

Question: In July can we expend money from each SAU?

Answer: The current school boards can. If this doesn't happen, the money will not be spent. It was put there for a purpose and if that purpose no longer exists, you do not spend the money. That would be unexpended money to carry forward into the following years budget requiring less additional tax payer funds.

Question: Money cannot be spent if it does not go through? Who is going to pay for the utilities?

Answer: Mary Jane suspected that the current existing SAU system would make Region II whole, which it might even come out of the money since it was related to the planning for the RSU.

Comment: We will have to pay one way or another.

Comment: Mary Jane said that there are no guarantees here. There are a lot of maybes. No one will be losing anything, they are planning ahead.

Question: Who authorizes to spend the \$200,000.00? Who decides what is being paid for?

Answer: If all communities vote yes and a school board has been elected. The elected school board has authority in the law to expend that money. The existing

would have to upfront the money and the new school board would need to make the SAU whole.

Question: Who is the administrator?

Question: Who is the office manager?

Answer: Mary Jane said that currently there is no one.

Question: Is there going to be an office manager to get things ready?

Comment: If the building is vacant then building expenses will be minimal.

Comment: Bill Dobbins said that the superintendent's and existing school boards would control until the new board is elected and they will pick up from there.

Mary Jane took one more test vote to determine to use the ACAP building and there was still no consensus. She had everyone break out into the SAU/town groups to come up with a one school system/town, one vote.

Question: Have a problem with the money, not the location.

Comment: Steve said that the money is broken up by valuation. For example, for the \$4,000.00 it would only cost the SAU/town a percentage of that. The building belongs to the region and ACAP is non profit but can find another spot.

Mary Jane asked for each town to vote. A motion was made to use the ATM room and let the new board make the decision. There was a second.

Comment: Steve mentioned that he would need SAD 29 board approval, that he could not authorize that.

Comment: The ACAP building is such a better site and has more privacy. If you are willing to go to the Houlton ATM, they please be willing to go to the ACAP building.

Question: Mary Jane asked that if in the contract, it could be asked for a little bit of a delay in the notification if agreeable to both parties.

Answer: Mike Howard said that he can ask, but that is not in the contract.

Comment: Steve Fitzpatrick asked for clarity, and said that it was his perception in terms of the voting procedure is that the caucus of each SAU were going to gather together and come up with a democratic vote within that particular SAU/town and come up with one vote. If the vote of the SAD 29 was down, then entertain another motion, before the motion of the use of the ATM room.

Comment: Mary Jane clarified Steve's comment by saying specifically relative to the use of the ACAP building first.

Question: In caucus, were they supposed to get a majority vote?

Answer: Each caucus gets one vote.

Comment: Mary Jane said that what Steve said was for the group to come up with a decision on the part of the caucus relative to the use of the ACAP building.

Mary Jane had everyone break back out into their SAU/town groups if they needed more time to decide their vote. The group returned and Mary Jane clarified that this is going to be majority rule vote, one vote per SAU/town.

A motion was made to utilize the ACAP building as the temporary residence. The motion was seconded. The votes were as follows: SAD 14 – yes, SAD 25 – no, SAD

29 – yes, SAD 70 – yes, CSD 9 – yes, Hersey – no, Bancroft – yes, Orient – yes, Moro – no one present. The vote was six yes and two no. The motion passed.

Steve Fitzpatrick distributed a copy of the detailed budget that the superintendents put together and was approved by the Finance committee. He said that the budget is about \$183,000.00 and the remainder would be for the ADS professional system, which is currently in place for each district. Bill Dobbins said that the ADS quote came in at \$62,000.00. Steve mentioned that the budget was put together prior to the quote from ADS. He said two questions remain, does everyone agree to use valuations for assessment of the transition and approve the \$200,000.00 as the transition amount.

Question: If someone backs out do other town's come up with more money?

Answer: Steve said it is pending approval at the poles. At that point, if a SAU/town does not approve the plan they will not be responsible for that transition amount, the remaining SAU/towns would need to gather back together and develop a plan. The budget was developed upon nothing other than a positive vote at the poles.

Question: With 27 towns voting, is it based on a total vote of the population?

Answer: Steve said that each district and municipality is responsible for their particular vote. For example, if SAD 29 voters and its total count of the four towns if they defeat the referendum vote, then they are not a part, if the rest of the region does, then there is a new RSU.

Question: Does every person vote on this?

Answer: Yes, but the votes are accounted by school district or independent town. Everyone has an opportunity to vote, but the votes are counted collectively for that school district.

Comment: \$200,000.00 is a lot of money.

Comment: Mary Jane said to remember that the \$200,000.00 is across the board.

Question: Is this a line item on the referendum process?

Answer: Not sure.

Question: If the money is not spent, will it go back in the RSU if formed?

Answer: Yes.

Comment: The superintendents are more experienced with this, so they put the budget together and the Finance committee voted on it.

Comment: Have to decide as a group if there will be a September referendum.

Comment: The secretary position would be more like a retired superintendent. The position is called a secretary, but with more responsibility.

Comment: Ideally, it would need to be someone already in the system. Will also need clerical help.

Comment: Feels that it is too much money, and if they have it they will spend it.

Comment: With legal fees, board stipends, superintendent's salary, clerical salary, renovations, and accounting system, that is a good deal if they can get by with \$200,000.00.

Comment: Mary Jane said that according to the law, right now there is no choice in how the costs will be shared.

6. Mary Jane said that the next meetings are May 6, 2008 at Houlton Southside School and May 20, 2008 at Hodgdon Elementary School. Both meetings at 6:30pm.

The meeting adjourned.

Respectfully Submitted,

Kelly Farnham

Regionalization Planning Committee

Meeting Minutes

Location: Houlton Southside School, Houlton

Time: 6:30pm

Date: Tuesday, May 6, 2008

Representatives from: MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Moro Plantation, Orient, Bancroft, and Hersey.

1. Steve Fitzpatrick, Superintendent of SAD #29, welcomed all the RPC participants.
2. Mary Jane asked for the approval of the April 15, 2008 minutes. A motion was made and then seconded to approve the minutes. The motion duly passed.
3. Mary Jane asked if there was any public comment related to the RPC's work. There were none.
4. Mary Jane asked if there was any questions or comments from the committee.
Question: It was asked to explain the legislature or the lack of.
Answer: Mary Jane said that there was legislation titled LD 2323 for purposes of this RPC, the largest issues initially concerned with was the ability to be creative in terms of how we share costs. That fix was included in this legislation and it allows people to come up with their own for cost sharing. Our cost sharing committee is in the final process of developing for this RPC that as a whole group, will be considered. There are a number of other financial fixes in LD 2323 as well. In addition, they added the Alternative Organizational Structure option to be considered which allows a little creativity with organizational structure, but there are strict rules regarding this. Essentially school districts can be municipal units, RSU's (which we have been working on), and now there is an option of the Alternative Organizational Structure (AOS). The AOS is not like a school union. It is one single school district, whereas a school union is several school units who hire the same Superintendent with separate budgets, etc. The AOS would get one

subsidy check and it would have one budget. There would be more flexibility in terms of teacher contracts. They must be consistent, but not the same. Policies would need to be consistent as well, but not the same. Core curriculum would need to be the same. Mary Jane instructed anyone interested to go to the DOE website and click on the reorganization part of the page and go for the e-updates. There is a good description of the law located there. There are a few other things that are different, such as calculating penalties. Essentially you will pay a little higher mill rate. There is a clear statement of what the overall board is responsible for compared to the first version. It is clear what you cannot give away to a local school committee.

Question: How much change in the penalties?

Answer: The Superintendent's have obtained the necessary e-mail addresses of those individuals they need to contact for the current calculation based on the new law for each one of the school districts. It is essentially two percent over the full value mill rate.

Question: Are they still freezing the budget and the difference being absorbed by the town?

Answer: An additional percentage over the mill rate will be what would be the minimum amount needed to be raised. They will get calculations for each school district so it will be perfectly clear.

Mary Jane said that the goal for tonight was to get each subcommittee to meet and finalize their work and the language in the plan that will come from each subcommittee. Then, electronically or regular mail, each section will be sent to everyone to review prior to the next meeting, so that starting next meeting, we will have pieces of the plan that can be reviewed ahead of time and any questions can be asked. It is hoped that this will be completed by sometime in June, at which point it would go to legal review, to ensure legalities. The next step would be to go to the school committees in each one of the towns or SAU's and their vote is to submit it to the state. The state would then examine to ensure the law is followed. If the state says ok, it would have already been decided when the referendum will take place, either in September or November, which will require a whole group discussion.

Question: Was the deadline extended until January?

Answer: Yes, but with a July 1, 2009 startup, the earlier this can be completed, the better.

Mary Jane asked that anyone who does not have e-mail to get their address to Kelly to ensure everyone receives the completed pieces of the subcommittee's plans. She also mentioned that if someone does have e-mail, but not getting any e-mails, see Kelly to ensure she has an accurate e-mail address.

5. The subcommittees broke out to work on their portion of the plan.

6. Mary Jane had each subcommittee provide an update:

Governance – They added a few things, and will be ready to present at the next meeting. There have been no major changes since their last presentation to the group. They will get their portion of the plan together to be distributed.

Assets & Liabilities – They reviewed draft three and did some grammatical corrections. There are two things, the property and the bond issue, that were not set in the past, but it is now ready to go and be presented at the next meeting. Bill Dobbins will make the necessary corrections and get to Kelly to forward to the whole RPC.

Cost Sharing – With the LD 2323 fix, they are now ready to go forward and be presented at the next meeting.

Personnel – They are completed and ready for consideration at the next meeting. John Doe will get the plan to Kelly to distribute.

Finance – They have established all of the understanding for the transition plan. They will complete at the next meeting. They have a target of either September / November for the referendum. Their recommendation is that the sitting boards hire an executive secretary to be responsible for executing the board elections. They would begin that process immediately after it has been approved by all of the districts. In early September or November will be engaged in developing the board and upon board elections and recommend that an interim superintendent be hired to be responsible for the first year budget development and superintendent search. Numbers will be collected reflective of the current budget year to develop a first, second, and third year cost benefit analysis. Figures should be available by the next meeting.

Mary Jane said that the group as a whole needs to decide what to do should one or more towns vote this down. A plan B would need to be developed. There are some plans out there and she has good examples of language to use. In addition, a few technical things need to be added to the plan, which can be added at the end by the Superintendents.

7. Mary Jane said that the next meetings are on May 20, 2008 at Hodgdon Elementary School at 6:30pm. May 27, 2008 at Danforth at 6:30pm and June 10, 2008 at Katahdin, with a possibility of June 24, 2008 at Southern Aroostook. There was some discussion that the June 10th meeting would not be feasible for many towns. Mary Jane asked if anyone would be willing to do a couple of three hour meetings to try to get things completed. It was determined to have a three hour meeting for the May 20th meeting (6:30pm-9:30pm) and determine on May 20th if a three hour meeting be needed for the May 27th meeting. The June 10th meeting was decided to be a tentative meeting due to the town meetings being held. The June 24th meeting may not be needed, but Mary Jane asked that it be kept as a possible meeting date should it be needed.

Mary Jane asked that to facilitate ease in the decision making, and to ensure that as much work as possible is done at the next two meetings, she encouraged everyone to read the plans thoroughly and if anyone has questions, to please call a member of that committee or their superintendent, which will allow questions to get answered ahead of time and take less time in meeting time and get to a decision quicker.

The meeting adjourned.

Respectfully Submitted,

Kelly Farnham

Regionalization Planning Committee

Meeting Minutes

Location: Hodgdon Elementary School, Hodgdon

Time: 6:30pm

Date: Tuesday, May 20, 2008

Representatives from: MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Moro Plantation, Orient, Bancroft, and Hersey.

1. Bob McDaniels, Superintendent of SAD #70, welcomed all the RPC participants.
2. Mary Jane asked for the approval of the May 6, 2008 minutes. A motion was made and then seconded to approve the minutes. The motion duly passed.
3. Mary Jane asked if there was any public comment related to the RPC's work. There were none.
4. Mary Jane asked if there was any questions or comments from the committee. There were none.
5. Mary Jane said that the agreement as of the last meeting was to have full committee consideration for the subcommittees that are ready. There is also to be a vote on each subcommittees' plans that have been completed. There will be a verbal summary, a description of the plan for each subcommittee. This will be followed by questions only of that particular plan. After all questions have been answered, there will then be discussion of any part of the plan before coming to a decision making point. This will continue for each subcommittee's plan. The Assets and Liabilities plan is not complete within the packets so it will not be

voted on tonight. The same packet includes the Cost Sharing piece, which will be discussed and a vote attempted.

Governance was presented by Greg Ryan. He read through the plan highlighting key points: the breakdown of towns into sub districts, 15 board of directors, should there be any changes in membership within the RSU the Governance subcommittee will reconvene, there will be no local committees, election is all law, there will be staggered school board terms, and everything underlined within the plan is law.

Questions asked of Governance:

Question: Where Kathadin has six towns, may have two board members that may be from the same town?

Answer: Yes.

Question: Houlton is being split?

Answer: Yes, because of its size. This allows the representation to be spread amongst the towns, otherwise, would have seven the other way.

Question: The language in paragraph three regarding the method of voting, should the first sentence be reworded?

Mary Jane explained that where would be a legal review of all wording within the plan. The state has given an ok, that it meets the one man one vote provision of the law, but all pieces of the plan will be sent for legal review.

Question: Would it be better to have a certain amount of representation versus 50-60 people getting together to elect an interim secretary?

Answer: The wording in the plan regarding that is straight from the law and that is how it is to be conducted.

Question: What is the method for choosing members of the new school board?

Answer: Nomination papers would need to be obtained.

Question: When the vote for the representatives happens, is that districts votes or town?

Answer: It is within the sub district.

A motion was made then seconded to approve the Governance Plan. It was asked if the grammar would be corrected, which it was stated it was. It was asked to change SAD 39 to SAD 29. The motion carried.

Cost Sharing was presented by Bill Dobbins and Paul Harrison. They highlighted key points to the plan: They had to wait for LD 2323 to pass before they could make a decision on this. Over EPS is based on diagram put forth to this committee is based upon 2007 EPS. They will enter new data when they receive it. Using SAD 14 as an example, they are over EPS so they would take 4% of the total EPS amount. This would happen for two years. After the second year, the new RSU board would look at it and see if it needs to be revised. Paul said this whole thing is about efficiency and this will not force efficiency, so need to push this to 100% valuation. A lengthy discussion

was had regarding forcing the new school board to make the change to 100% valuation after the second year.

Question: It was asked if the cost sharing could change?

Answer: Yes, it could change every year.

Question: Will the 08-09 figures be used forever?

Answer: No, only for two years.

Question: Are we locked into cost once RSU board decides to change it?

Answer: Yes.

Comment: Board has to review this within two years. If a change is requested, it has to go to referendum or state that it must go to referendum regardless.

Question: Is this the only formula being reviewed?

Answer: Yes.

Question: It was asked to change the wording on a couple of the sentences listed under the section titled Altering the Cost Sharing Agreement.

It was agreed to change the second sentence to read, "The Board shall revise to provide greater balance in the cost sharing agreement...". The other change was to the change item number three in that same section to read, "The Board will present those changes for discussion and review in a public hearing held for the residents of the RSU." This new wording recommendation will be taken back to committee for revision.

A couple of concerns were raised: The school board can vote to assess above and beyond to raise more money locally and there is no incentive for the board and no one wants to cut programs, in addition this might tie the hands of the new board, and something else might have to be done.

Bill Dobbins said that the changes would be made and sent out the following day to be reviewed so that it could be voted on at the next meeting.

Personnel was presented by Mark Bossie. Nothing was done with the contracts. It was decided to let the super board, once they are formed, deal with them. There will be a smaller number of unions for them to work with at that time. Currently two teacher contracts are being worked on, SAD 25 and CSD 9.

A motion was made and seconded to approve the Personnel plan. The motion carried.

Assets & Liabilities was presented by Myron Baldwin. He said that there were three parts to section five of this plan: real property and fixtures, personal property, shared property. Real property will be transferred to the RSU. It includes land that the SAU is willing to turn over to the RSU as long as is used for educational purposes, otherwise it will be turned over to the town it belonged to.

Question: If it goes back to the original district how is it divided up?

Answer: It will go back to the entity that first provided the property to the SAU.

Exhibit 6A is missing, but has two items on it, a bus purchased by SAD 14 with a maturity date of 11/1/10, and the money comes through the state. MSAD 29 has a pre approved renovations and state subsidized. Section 6B on debt not being assumed includes bleachers at SAD 25, high school renovations and 3 bonds at SAD 29, and a phone system at CSD 9. This will not be paid by the RSU but by the municipalities through additional tax.

Question: The RSU will not assume SAD 29's debt?

Answer: Correct, just like they will not assume the other listed debt.

Section 6C, there are no new capital projects that the RSU will assume.

Question: It was asked to clarify the \$2.5 million dollar Houlton Community Art Center (HCAC) project.

Answer: Steve Fitzpatrick explained that there are two bonds. There will be one \$2.5 million dollar project for high school renovations and another \$2.5 million dollar project for the HCAC. The additional \$2.5 million dollars will be done through fundraising on behalf of the HCAC committee.

Question: Is this voted on when the fundraising is complete?

Answer: This has already been voted on.

Question: Myron asked if there were two separate items.

Question: It was asked if this could be broken out on the exhibit.

Question: The arts center will be located at the high school, but is it a municipal thing? Is the RSU going to fund the \$2.5million dollar bond?

Answer: The arts center will be part of the high school. The RSU will not be paying for this.

Question: If there is a cost overrun, who is paying for that?

Mary Jane said that the committee recommended that the RSU not assume the two \$2.5 million dollar bonds.

Comment: They do not want to be responsible for paying back since they did not initially have a say.

Question: Will the HCAC be attached?

Answer: Yes, it will be school property.

Question: Are the operating cost of the center eventually be part of the RSU?

Answer: Yes

Comment: Why is this being discussed? No one is arguing against not paying. Houlton is ok with this.

Comment: Steve Fitzpatrick said that should we become an RSU, the RSU is getting a \$7.5 million dollar asset.

Comment: A suggestion was made to possible change the name of the HCAC.

Myron asked if there was any request to change section 6D other than rewording the bonds. Section 6E and F states other debt not assumed. Item 8 discusses disposition of existing school funds. Part A is any obligation for teachers that is not in the budget. Scholarships will still be limited to the original pool of potential recipients, unless otherwise stated. There are currently no trust funds. Currently there are no tuition contracts between anyone at this time. School choice will continue as allowed, currently being only Bancroft.

Question: Will school choice still be allowed?

Answer: There will no longer need to be a Superintendent's Agreement. Students will be allowed to attend any school within the RSU. If a town is allowed to currently attend school outside of the proposed RSU, they can continue to go there. Currently, there are no town charters. If a town does have a charter, then they could go anywhere outside of the SAU. Bancroft only can go to Lee because they currently are sending students there. This has to continue to be honored because it is what is happening now.

Comment: Mary Jane asked that school choice be double checked on.

Comment: A majority of the students are going to go where the bus takes them.

Comment: Steve Fitzpatrick cited the law; if students currently have a choice now, it is preserved. If they have no choice, it stays that way.

Comment: It was asked to cite the law in the plan and remove the exhibit.

Myron agreed and said that the new school board could work it out.

Question: If kids want to go to Houlton and live in Sherman do they currently have to pay?

Answer: No. In that case, Houlton would receive the money from the state for that student.

Question: It was asked to use land descriptions, such as lot and map numbers to identify each specific property listed.

Section 13E is on Claims and Insurance, which there are currently a couple of litigations and claims pending.

Question: If there is a claim, who pays for those?

Answer: The insurance company at the time it started.

Comment: Steve Fitzpatrick mentioned that SAD 29 has an additional 45 acres at the Houlton Southside School.

6. The next meeting will be on Tuesday, May 27, 2008 at 6:30pm at East Grand in Danforth. Mary Jane mentioned that there was an invitation from the Commissioner of Education for a regional meeting for the RPC being held on May 27, 2008 at the high school in Presque Isle.

The meeting adjourned. The Finance, Cost Sharing, and Asset & Liabilities subcommittees met briefly following the adjournment.

Respectfully Submitted,

Kelly Farnham

Regionalization Planning Committee

Meeting Minutes

Location: East Grant School, Danforth

Time: 6:30pm

Date: Tuesday, May 27, 2008

Representatives from: MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Moro Plantation, Orient, Bancroft, and Hersey.

1. Bill Dobbins, Superintendent of SAD #14, welcomed all the RPC participants.
2. Mary Jane asked for the approval of the May 20, 2008 minutes. A motion was made and then seconded to approve the minutes. Bill Dobbins mentioned that the minutes referred to LD 3232 and it should be LD 2323. The motion duly passed.
3. Mary Jane asked if there was any public comment related to the RPC's work. There were none.
4. Mary Jane asked if there was any questions or comments from the committee. The following questions were asked:

Question: How many pieces of the plan are left?

Answer: Tonight, there will be a second time around for Assets and Liability and Cost Sharing. Out of the Finance committee will come the cost savings language and the transition plan. For example, what is the district office going to look like. Then there needs to be language voted on should one or more of the towns fail to approve the plan in referendum. Mary Jane has some suggestions for this. In addition, the RSU needs to be named. Mary Jane asked each of the Superintendents to ask their student councils in each of the upper schools for three to four suggestions for names. Mary Jane also encouraged the RPC to talk to friends and neighbors and maybe come up on their own, with suggestions for an appropriate name for the new RSU. These will be discussed at the next meeting and voted on.

Question: This is all a what if, the RSU does not come into existence until the respective school boards vote on this?

Answer: When this committee votes on the plan and all the language, the plan does then go to the respective school boards, their job is to vote on whether or not to submit the plan to Augusta. Then it comes back to referendum. It is not an RSU until it has been approved by the people in a referendum vote. Next week, it will be determined when the RPC would like this to happen. It is one of the last items to be voted on.

Question: Is there anything specific that needs to be in the name, like Region?

Answer: The state assigns a number to the RSU, but in the plan, they do expect a name for the RSU stipulated.

5. Mary Jane explained that Assets and Liabilities will give their disposition.

Myron Baldwin explained that exhibit 5A, disposition of real property, the exhibit talks about the acreage, which has two additions. SAD 29 has an extra 45 acres and CSD 9 has added 156 acres. One question last time was if the tax map and lot number could be added for the land to be identified. The problem with that is if a district had 60 acres and they wanted to take 25 acres out to reserve that. The town only knows they have 60 acres, so in order to separate out, the district would have to hire surveyors to do so. Items 5B and 5C were solved last time. Item 6 regarding bonds notes, now includes exhibit 6A. This lists items that the new RSU will assume. This includes a bus at SAD 14 and renovations at Houlton Southside School at SAD 29. There were approved because they are approved by the state and being partially reimbursed by the state. It was mentioned that the bond for Houlton Southside School was not for renovations, but for building the school. Item 6B lists bonds, notes, leases and purchase agreements that the RSU will not assume. These items include bleachers at SAD 25, renovations at the Houlton High School and the phone system at CSD 9. The original towns within the original districts will continue to pay these.

Question: Are they going to be taking out the phones and bleachers?

Answer: No, they are not. SAD 25 has money to pay off the bleachers.

Question: The Houlton High School renovations, these are renovations which were done some time ago?

Answer: The bond was issued in 2000.

Question: Trying to understand why these are not being included.

Answer: Felt that the funds obligated by the SAD's in the past that were not subsidized by the state should be covered by the towns.

Question: The asset is going to be transferred but the debt against the asset will not?

Answer: Yes.

Comment: That does not make sense. If you are going to have the liberty of owning the asset then you should be responsible for the debt as well.

Comment: Steve Fitzpatrick mentioned that this will possibly be a deal breaker for SAD 29. Ten years ago SAD 29 raised the mill within the four towns to generate a renovation fund. That fund is \$350,000. This past year with the bond referendum, the school board indicated to the towns that it would utilize that \$350,000 of renovation funding to pay the bond down. Currently, this is in the budget and has been for the last 10 years. If the intent of the new RSU is to have Houlton continue to pay that \$350,000 and all of a sudden take that outside of the budget and assess that money in addition to that which they have already included in the budget, this is a mistake. This will be a tough sell. If the fine arts people raise the other \$2.5 million the district would match with another \$2.5 million. If he is understanding this correctly, Houlton will no longer be able to utilize that renovation money that is imbedded into the budget for the purpose of either of these \$2.5 million bonds. If that is the case and additional amount has to be assessed an additional amount equal to the paying of those notes, it is going to amount to between \$350,000 and \$400,000 per year, which is twice the amount of money that the district would be assessed in

penalties for standing alone. If that is correct, then he cannot support this plan as it is written.

Comment: Bill Dobbins mentioned that Steve jumped a little ahead. Item 6B is just concerning the 2000 renovations at Houlton Southside School. What Steve was referring to was item 6D.

Comment: The whole plan is a hard sell for every town.

Comment: Steve Fitzpatrick mentioned that the current EPA loans and bonds are for the removal of asbestos and mold. Two years remain on those loans at \$46,000 per year. That is in the budget as well and part of the EPS model. If you take that outside of the EPS model and budget and assess those, Houlton and SAD 29 will not enjoy the 80% state and 20% local match for the EPS monies which are in effect used to pay down those debts. Feels that we are being short sighted.

Comment: Myron said that 6B is debt incurred by the SAD's and whether or not the RSU is going to assume the debt or not. Basically as it is worded now, if you bought it you pay for it.

Comment: The point to consider is that these monies that are due can be paid 80% by the state and only 20% by the RSU. If we do not take this into the RSU then the Houlton taxpayers pick up the total costs and that is a hard sell.

Comment: Only concern right now is that some people are coming from district that have no debt.

Comment: The RSU would be picking up the value of the asset.

Comment: The RSU would be picking up the debt as well and also paying a certain percentage of EPS.

Question: Are the bleachers and phones are covered 80/20 by the state?

Answer: It depends. If a phone system was purchased it is not figured into any part of it, it is usually under or over. If the phone system is going with the building and the building is going to belong to the RSU and if CSD 9 is going to be charged the whole cost of what the RSU is going to do plus the phone system they do not own any more, that should be something everyone should pay for because everyone is going to have the phone system.

Question: What is going to happen down the road and you have the RSU and the whole budget and you have the boards and they decide a school that wants something for their area, has to go into their own town to get out of their own budget. What is going to happen then? It is still an asset of the RSU but they are going to force the town to do repairs or do certain things that are going to go above the budget that the board will recommend.

Answer: Cannot see that happening.

Comment: Should SAD 25 want to keep a program but the main board does not want it, then the town would have to pay, but it would still become an asset of the RSU.

Comment: Currently, not one single town has gone out and paid for this on their own.

Comment: Has the RSU ever happened, it is all brand new.

Question: Is the Houlton renovation is completed?

Answer: It will be done at the end of the summer and another at the end of next summer.

Question: 80% is being paid by the state as an approved project?

Answer: It is part of the budget and the first \$2.5 million falls within the ability of that renovation fund to pay for the bond.

Question: Is it approved by the state?

Answer: Yes, but the arts center, no.

Question: If the RSU assumed the debt, then it is only assuming 20% of it?

Answer: Yes.

Comment: The arts center nor the renovation piece are revolving renovation fund money. It is locally raised money that has been raised for the last 10 years.

Question: So it is not approved.

Answer: It is approved, the state has to approve every bit of modeling, remodeling, renovations and construction that is done. For their participation sake, it is not an approved piece they are willing to pay upfront.

Comment: It was felt that this should have been discussed sooner, not after 15 meetings. Confused if these renovations and the bonds are being reimbursed by the state.

Comment: If over EPS, raising the funds themselves.

Comment: Steve Fitzpatrick explained this has been disclosed up front.

Comment: Mary Jane mentioned that she does not want to ask everyone to vote on something with so much confusion. There needs to be a June 17th meeting, so she suggested a whole description written up making this black and white. She would like to bring this back to the next meeting to make sure that there is full understanding of the issue.

Comment: Steve Fitzpatrick mentioned that the reason this is in the budget is because 10 years ago, EPS did not exist. The mill was raised every year as part of the budget.

Comment: This needs to be reviewed with legal.

Question: Can this amount be taken out of the Houlton budget?

Answer: This would need to be reviewed by legal.

Comment: Mary Jane suggested that continue with questions and comments on 6C and D.

Comment: Myron said that 6C is debt that the RSU will issue and assume. That is where the \$2.5 million bond would go. Currently there is none.

Comment: If planning on putting \$300,000 into that new system, then they need to figure out a way to do it like it was done with the bleachers.

Question: How do you do it and make it legal?

Comment: If assumed, then would have to pick up debt from other schools as well.

Question: On D is there \$5 million between the arts center and renovations or is there \$7.5 million?

Answer: \$2.5 million privately funded by fundraising by the arts committee. \$2.5 million for renovations not related to the arts center, and \$2.5 million contributed toward the arts center by the district once the fundraising reaches \$2.5 million.

Question: The \$2.5 million is in addition to the amount borrowed in 2000?

Answer: Yes.

Question: If been raising 1 mill for 10 years, they have not been taking care of their schools?

Answer: Houlton High School is \$2.5 million away from completion. It is about 60% complete at this point. Part of the rationale was looming costs. There is still steam in over half of the building.

Comment: Mary Jane mentioned that the numbers seem large, but new schools cost a lot. Down the road, other schools will be needing repairs and that needs to be kept in mind. There are asbestos issues that need to be addressed as well as safety and energy efficiency issues.

Comment: Every time Houlton High School did a project, an engineer and architect had to be hired. This will save 40% just to do all of this at once versus over time. This was a determining factor.

Comment: SAD 25 cancelled an energy saving project due to costs.

Question: Can Assets & Liabilities and Cost Sharing get together to come up with something helpful to both?

Comment: Should go back and find out what each school needs for repairs.

Question: Voters of SAD 29 approved the bond for the \$2.5 million to match the arts center. Will the RSU have to issue the bond? How will that flow through?

Answer: Mary Jane said that private money has to be raised first, it may take a few years to raise.

Comment: Myron mentioned that he does not doubt that renovations are needed at other schools. Now seems like SAD 29 wants everyone to pay for the bond. We are not the school board and cannot decide if other schools need to have renovations.

Comment: It was said that the language of school choice was asked to be changed at the last meeting.

Comment: Myron said that it had been sent for legal review.

Comment: Bill Dobbins said that if they are open to school choice now, they can continue. The law says can go anywhere, but more than likely they will go where the bus goes.

Comment: A superintendent's agreement is not school choice.

Comment: Bill Dobbins said that the wording does not need to be changed. Legal review will make the necessary corrections.

Cost Sharing was presented by Paul Harrison.

Paul said this whole cost sharing agreement was to hold people harmless for two years, but now he is not so agreeable to this if other districts are going to have to come up with more money to cover the debt. What was changed from last time, added "within the first two years" and "substantial inequities in the formula".

Question: What is the intent?

Answer: This is for two years only then plan can go to 100 valuation.

Comment: The fourth line of second paragraph is a contradiction of terms.

Question: For the second year, how are you going to determine that number?

Answer: Once this years budget is done, those numbers will be used for the first two years. There will be one big budget.

Question: Can the 1 mill be taken out of Houlton's budget?

Answer: That is not going to be a hindrance to the cost sharing formula.

Comment: Item 11 was added to state that after two years it would go to 100% valuation to make efficiency happen. In the beginning the law was valuation only.

With this way now, it will hold the districts harmless until the board works to come up with something different.

Question: If district is \$1million over now, there is no guarantee that the district would not be \$1million over in two years.

Answer: There would only be one budget in two years.

Comment: Steve Fitzpatrick mentioned that if it went strictly by valuation currently, it cost \$850,000 per year. The way the law reads, the urban centers have the most valuation, dollars are going to flow and equalize out. What is best for the children and all children deserve the best and free education. The biggest culprit is that the law is shifting the money down south.

Comment: Terry Commeau said that the smaller schools will be the first to go. There are too many teachers in the region and positions will need to be cut and schools will be forced to close.

Comment: Mary Jane suggested that the vote be held on this as well to ensure clarity and all questions and concerns are answered.

Question: Does EPS go away in two years?

Answer: No. EPS is a statewide model for how they calculate how much ought to be spent in school systems to get all kids to the learning results.

Question: Talking about local funds that come out of taxes? If understanding correctly, this is the only thing as citizens that have the right to turn down?

Answer: Can turn the whole thing down.

Comment: Steve Fitzpatrick is concerned that we are putting up obstacles for a majority vote. He would feel responsible to give input that is appropriate.

Mary Jane said that nothing would be voted on this evening and more research will be done.

6. The next meeting is scheduled for June 24, 2008 at 6:30pm at Kathadin High School.

The meeting adjourned.

Respectfully Submitted,

Kelly Farnham

Regionalization Planning Committee

Meeting Minutes

Location: Katahdin High School, Stacyville

Time: 6:30pm

Date: Tuesday, June 24, 2008

Representatives from: MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Moro Plantation, Orient, Bancroft, and Hersey.

1. John Doe, Superintendent of SAD #25, welcomed all the RPC participants.
2. Mary Jane asked for the approval of the May 27, 2008 minutes. A motion was made and then seconded to approve the minutes. The motion duly passed.
3. Mary Jane asked if there was any public comment related to the RPC's work. There were none.
4. Mary Jane asked if there was any questions or comments from the committee. The following questions were asked:

Question: Is the AOS (Alternative Organization Structure) something that may want to look at?

Answer: Mary Jane said that a discussion could be had about this and she could answer any questions about what it would mean. It includes a couple of things that the RPC committee has voted no on in the past. It required multiple school committees.

Comment: Understanding of the AOS is that there is one superintendent with an AOS board that will oversee five separate school boards. The tricky part is distributing the money.

Comment: Mary Jane mentioned that the law states that you may have an AOS board.

Comment: It is felt that AOS should be looked at by this RPC committee. If there is another alternative, it needs to be looked at. Towns do not need to vote until January 30, 2009, and who knows what will happen.

Comment: It was the understanding that one of the subcommittees looked at local school committees and both times the committee decided against them.

Question: Is there more local control with AOS?

Answer: There are local school committees under an AOS. They are able to construct a budget for that town or town's schools and bring it to the voters. They also pay a portion of the district administration costs. When the money comes the other way, the state treats that organization as one school system so they calculate the EPS and send one check.

Question: Are the boards responsible for the school budget, and would the district be responsible for the EPS, if over EPS.

Answer: In an AOS, there needs to be a cost sharing formula just like with an RSU. The state would not calculate the EPS separately, only as a whole. If over EPS, it is over as a whole. Have to come up with a formula to share costs and determine how money is split up. There has to be inter-local agreement. The local school committees construct their own budget and bring it before their own people for a vote. Anything done that crosses schools, has to be written down in a legal agreement, for example; sharing staff or transportation. With the RSU, there can also be school committees, which was discussed, and within that school committee a

budget could be developed and be recommended to the RSU board. With the AOS, the budget does not need to be taken to the RSU board, it can be taken directly to the voters.

Comment: With AOS, there is more authority with the budget, but there is an extra step with the RSU.

Question: If Hodgdon decided that they wanted a special teacher, could they get it?

Answer: Yes, with either system. They can ask for in the RSU budget and if they do not get it, and it is cut before it goes out to vote, then could go to the municipal meeting to have a warrant on the town meeting agenda and that would be a vote of the Hodgdon people to support and that would become a program in that community.

Question: Does the authority rest with the board?

Answer: No, they would need to implement the wishes of the new teacher.

Question: Who would request the money?

Answer: The local school committee, if there was a local school committee.

Comment: Mary Jane mentioned that this question has come up several times. She said that in the facilitators meeting she will be attending tomorrow, they will be providing her with the answer to what are the other ways in which they can request that. She has asked if there needs to be a local school committee to request additional sums of money from the local municipality to support a portion of the budget. This is a lack of clarity in the law, which she is hoping will be clarified tomorrow.

Question: Because of busing, if kids go to a different school, for example Hodgdon, does that town still have to support that program?

Answer: Towns would have to determine if they would continue.

Question: Why after the SAD's dissolve, on a legal basis how would they still be a group? Towns do not own, the RSU would.

Answer: The law first addressed only elementary schools, thinking this would only have a town that had an elementary school. In the second version of the law, it included secondary schools. Many secondary schools in the system tend to have students attending them from multiple towns.

Comment: What is being asked is a very unusual request and unlikely to happen.

Comment: Mary Jane said that the last part of the plan needs to be considered. If there wants to be a discussion on AOS, then they should have some good information available. Need to decide if everyone wants to continue with the agenda for tonight's meeting or look at something else. She asked what direction did everyone want to go in. She does have information on AOS, but not with her. She asked if everyone wanted to stop the process and look at AOS.

Comment: If this is not something that is working then curious why did Senator John Martin yank the education commissioner?

Answer: Mary Jane said that Senator Martin did not yank the education commissioner about this, it was a bigger issue than John Martin. There were a number of groups across the state that supported a looser structure that resulted in the AOS.

Comment: Would like to listen to plans first. A lot of time and effort have been put into this and they would like to hear what they have to say.

Comment: Do not mind moving ahead, but would still like to see something else. Would like to see a side by side comparison.

Comment: Mary Jane said that St. John Valley and four or five others looking into AOS. She will know more tomorrow.

Comment: Can move ahead with the plan for tonight and maybe later, if decided, everything could be converted to AOS.

Answer: Some can, there is no AOS plan completely done to go by, but a lot of what has been decided cannot.

Comment: With AOS a lot of things are separate, such as ownership. There would be one central office, but principals would be doing their budgets. It would be adding another level of bureaucracy. Still going to be paying what is being paid now.

Comment: Thought the committee should go ahead with the agenda as planned and look at AOS later on when more information is available.

Question: If go ahead with the agenda and do take consideration of the items on the agenda, can we go back later on and look at AOS?

Comment: Mary Jane explained there was going to be a presentation by the Finance committee, and the Cost Sharing and Assets and Liabilities would come before the committee for a consensus vote. The next step would be to send all to legal and bring back to committee to have overall approval at another time at which time it can be adjusted. If the November referendum takes place, the plan has to be to Augusta by August 15, 2008.

A motion was made and seconded to listen to the reports out as listed on the agenda. The motion duly passed.

5. Bill Dobbins presented on the Assets & Liabilities and Cost Sharing. He distributed reports to the committee. He mentioned that cost sharing has been tied with the Assets and Liabilities. Referring to the FY 0809 Financial Template, he met with Jim Ryer with the Department of Education and went through the essential programs spreadsheet. They used the FY 08-09 figures to see what it would look like if we were in an RSU right now. That is what this report reflects. They wanted to know what would happen, so they went to the state. Only looking at the EPS model money right now, not talking over EPS money. The column between two and three shows the percentage that will be used to calculate the money over EPS, the additional local amount. In draft four, it stated that would like to use the first two years of transition into the RSU hold harmless. For example, if Bancroft was \$25,000 over EPS and take the percentage listed of 1.10% times to total amount of overage would come out to \$25,000. All amounts over EPS were added together, then they took the percent of additional local share times the total amount. This was done by municipalities not by SAU's. In Draft 4, the wording is now clearer. Paragraph one and two are the same as before. They might have to come back and adjust the figures later on. Used the best data they had, which was 08-09. The first two years will be hold harmless, then it will shift to total valuation the third year. Would like it to be so that there are no spikes, but a gradual incline up to the 100% valuation. Starting with 2012-16, the RSU shall phase in over the next five years, the local costs based on property valuation as follows: They broke it down to gradually go up. The first two years hold harmless, year three stays at 80%, 20% valuation, so they are gradually

moving their way up to where they want to get to. In year five, the additional costs of operating a regional school unit must be shared among all municipalities within the regional school unit by the same local share percentages for each municipality resulting from the determination of the local contribution under section 15688. This means 100% valuation. The next section in Draft 4 discusses amendment to the cost sharing agreement. It was wanted to make sure the board reviews the cost sharing every two years, and revamped if necessary. RSU member municipalities have ways to change the cost sharing formula. If requested by a written petition of at least 10% of the number of voters voting in the last gubernatorial election within the regional school unit, or if approved by a majority of the full regional school unit board, the regional school unit board shall hold at least one meeting.

Question: Is there a provision in the law for disasters?

Answer: Currently in SAD law there is but when move to RSU law, there is not.

Question: If there is a disaster, then stuck for two years?

Answer: It takes two years to go into the valuation process.

Comment: Regarding page five, section B, it states each municipality must be represented by two representatives, that seems like an awful lot of people.

Question: What if a municipality does not have two members at that meeting?

Answer: The meeting will go on whether they show or not.

Comment: Do not want to vote on yet until the debt is discussed.

Question: Who are the attorneys?

Answer: Drummond Woodsum.

Comment: So there really is no independent review of of this.

Answer: Drummond Woodsum represents the schools, not the state. The state is represented by the attorney general's office.

Bill Dobbins continued on with his presentation. When they did the cost sharing, they talked about the debt. If using the percentage for cost sharing over the EPS and SAD 29 currently has \$350,000 in their budget for renovations, what was done, because they were getting a double whammy, to get those percentages (column number three on FY 08-09 financial template) they took the \$350,000 out first to get the percentages then added it back in to their assessment due to it part of their assessment already.

Question: Were other schools allowed to do this?

Answer: There was one other school, CSD #9, had a \$68,000 bus payment, which was taken out, but that will change because their budget has changed, so only SAD #29 at this time.

Question: Is this Houlton Southside debt?

Answer: No, this is the high school renovation that is not approved debt from the state.

In draft 6, the headings on page two were all they could use right now. Section G was created because of the Arts Center in Houlton. They are waiting on matching funds from fundraising, so it may or may not happen, but it had to be put somewhere in the plan.

Question: For the new arts center, if approved by RSU and goes to vote, can Houlton out vote the others towns?

Answer: There is not enough board members in Houlton and South Houlton to overrule the towns around it. Board members have a voice.

Question: With the two separate \$2.5 million bonds, one for high school renovations and the other for the arts center, is this a divided entity?

Answer: Yes, by the bond question. The first \$2.5 million will be issued in October 2008 and the second is contingent upon matching funds. The RSU board is responsible for honoring any action of a prior legislative body. By law, the RSU board does not have the authority to circumvent. They would be responsible for issuing the bond, but not responsible for paying for it.

Question: Could all towns end up sharing the additional \$2.5 million for the arts center?

Answer: If they agree to that, but it is at the board level.

Comment: There is a concern that Houlton would over rule on votes.

Answer: Houlton has less than 50%, they only have seven board members out of 15.

Comment: Concern that a majority of the voters are in the greater Houlton area.

Comment: When it goes to 100% valuation, Houlton is taking more of the costs.

Answer: Realistically, the percentages are not going to go up because going to be forced by EPS to come up with some kind of savings.

Comment: The board will be responsible to bringing the RSU closer to the EPS mark. The first two years are hold harmless and Houlton gets a lower percentage of the additional EPS. The RSU with respect to moving to full valuation, that the region as a whole should come closer to the EPS mark in terms of additional local. There is an assumption that the board of members will move closer to EPS costs. The current EPS formula does not favor rural areas.

Bill Dobbins: Exhibit 6B on page 9, should reflect the HHS renovations, not on Exhibit 6D on page 11.

Question: On Exhibit CB, those are items that the RSU will not assume?

Answer: Yes

Question: Because moved that \$2.5 million bond to 6B, does this mean that before the RSU becomes into being, then SAD #29 will issue the bond?

Answer: Yes, it will be issued this fall.

Question: The arts center will be decided by the RSU board?

Answer: Yes.

Comment: Concerned that the Houlton High School renovation debt is not being assumed. It is the understanding that the RSU is going to own the entire building and the renovations. Maybe phase in the debt service?

Answer: It was discussed. All other units have no debt. The other side of it is that maybe everyone should take a look at it and maybe phase it in with the new board. It will take a couple of years to see what will happen. Realistically, some schools are going to close and the new board will need to make some decisions. Mary Jane asked if everyone wanted to move to a tentative agreement and should the Assets & Liabilities and Cost Sharing be considered together or separately? It was agreed by the committee to do separate.

A motion was made and seconded to approve the Cost Sharing plan as written.

Question: By approving this, will it send it to legal and back to the committee for approval?

Answer: Yes, but it is not our last shot at it.

Comment: Does not feel that their area would approve this. It looks like a long-term fix is being agreed to.

Answer: There are no guarantees.

A first vote for consensus was had and there were two no votes.

Mary Jane asked if there was anything that could be adjusted to address any of the concerns of those who voted no.

Comment: Believes that the debt service on the high school should be phased in like the valuation.

Comment: The \$350,000 was taken out for two years and then phased back in.

Mary Jane: There is no special language that specifies the 20% assumption of debt every year for five years. As shift to full valuation, and away from over EPS amount, that is part of full valuation amount. Not as dramatic as if it had been added in.

Question: If add back in, then should just take it out to begin with?

Comment: Then the Houlton percentage goes up.

Comment: Thought the \$350,000 was earmarked to pay the \$2.5 million.

Answer: Yes. It is still part of the assessment. It is taken out of the percent formula which reduces the percentage in SAD #29 by virtue of the additional local share and then taking that money and paying the debt down. It is a wash.

Mary Jane clarified that SAD #29 has been spending \$350,000 per year in renovations that has been in historical budgets, but is now going to be used to pay for the debt service on the \$2.5 million renovations.

Comment: It will be phased in with the 20% valuation.

Mary Jane: Every kick in of 20% going toward valuation get away from the hold harmless, and reduces the percentage.

Comment: It is going to cost SAD #29 money.

Comment: The bond was sold to the voters that they are not really expending any more additional dollars, they are just committing to the same amount of expenditures for that purpose to be paid over 2 years.

Comment: Currently paying 36%, that can be voted up or down, but what happens in the RSU if the overage goes higher? We are loosing control over this.

Answer: Any RSU board that gets elected are going to attempt to find a way to bring that expenditure level down.

Comment: Scale added to ensure RSU looked at it so hold harmless does not keep going on.

A second vote was taken on Cost Sharing and one voted it down. There was a move to two-thirds vote. There was a five-minute meeting for caucus.

Following are the voting results for Cost Sharing:

Bancroft – yes

Hersey – yes

Moro – absent

Orient – yes

SAD 14 – yes
SAD 25 – yes
SAD 29 – no
SAD 70 – yes
CSD 9 – no

The vote passed six to two.

Question: Does Houlton loose that \$350,000 or is that earmarked for 20 years to pay for the bond.

Answer: The bond is paid, but the assessment for it goes to the towns of SAD #29.

Comment: After seven years, that \$350,000 will move over from assessment for SAD #29 capital to additional local, although they will still be assessed that and SAD #29 will be responsible for the debt from year 8 to year 20 outside of valuation.

Comment: The plan states the RSU will not assume.

Comment: At this point, we are only looking at \$2.5 million. Bond could be paid off in 10 years if the other \$2.5 million does not go through.

Comment: The only difference that can be seen is exposure. Others have already paid high taxes upfront and have no debt and now want others to take on high debt that haven't paid taxes on. Not fair to the towns that have already paid their high taxes and haven't borrowed any money.

Comment: This renovated school system will be part of the new system. It has been sold to the SAD #29 taxpayers. The bond is law, cannot go back on it.

Question: When finally have a completed plan, have any legal standing?

Answer: Only after the referendum.

Question: Will the board have to follow the plan?

Answer: Yes. There is a provision that needs to be put in the plan, a process to amend the plan, which would require a vote from the community.

A motion was made and seconded to approve the Assets & Liabilities plan as written.

Question: Thought there was going to be a small change in the wording for school choice.

Answer: Bill Dobbins was told to leave the wording as is and will be address when legal reviews.

Question: Section G, will issue and may assume need to be changed?

Answer: Was changed and will check with legal on the wording.

Comment: The \$2.5 million bond will be moved from 6D to 6B.

A first consensus vote was taken and three voted no.

A second consensus vote was taken and three voted no.

Comment: Can see where the Houlton people are coming from. Cannot have it both ways.

Comment: Houlton can live with this if phase in assumption of debt as they assume valuation in the third year of the RSU.

Comment: As phasing out, EPS overage going down but debt not changing.

Comment: The phase in would be 20% every year for five years.

Comment: Steve Fitzpatrick mentioned that there is no reserve. They pay principal and interest both in an annual payment and it does fluctuate.

Comment: Need to look at some type of debt assumption phase in, moving toward valuation.

Comment: Does not think it is unfair to think that everyone is going to benefit. Everyone decreases as Houlton increases.

Comment: The two factors always involved are valuation and pupil count. There was a move to two-thirds vote. There was a five-minute meeting for caucus.

Following are the voting results for Assets & Liabilities:

Bancroft – absent

Hersey – yes

Moro – absent

Orient – yes

SAD 14 – yes

SAD 25 – no

SAD 29 – no

SAD 70 – yes

CSD 9 – yes

The vote passed five to two.

Mary Jane mentioned that she understands there is an openness to look at additional figures that might make some adjustments to this in a subsequent meeting. These are tentative agreements only.

Question: Trying to complete this before the August 14, 2008 deadline, but only if vote in November?

Answer: Yes.

Comment: Hope that everyone is open minded enough to make things work.

Comment: Need to make this work as a taxpayer.

6. The next meeting is scheduled for July 22, 2008 at 6:30pm at Southern Aroostook.

The meeting adjourned.

Respectfully Submitted,

Kelly Farnham

Regionalization Planning Committee

Meeting Minutes

Location: Southern Aroostook Community School, Dyer Brook

Time: 6:30pm

Date: Tuesday, July 22, 2008

Representatives from: MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Moro Plantation, Orient, Bancroft, and Hersey.

1. Terry Comeau, Superintendent of CSD #9, welcomed all the RPC participants.
2. Mary Jane asked for the approval of the June 24, 2008 minutes. A motion was made and then seconded to approve the minutes. The motion duly passed.
3. Mary Jane asked if there was any public comment related to the RPC's work. There were none.
4. Mary Jane asked if there was any questions or comments from the committee. There were none. Mary Jane mentioned that she had the AOS information e-mailed out as promised at the previous meeting. It was asked that if it was something that wanted to be considered, should that be done before going on with the meeting. Mary Jane mentioned that was why it was brought up early in the agenda. There were no other questions or comments regarding the AOS.
5. At the first section of the plan, there is a section for the RPC to insert some language around the educational purpose of this. Marilyn drafted a mission envision to be considered for this. The draft was distributed and it was asked that everyone review this for next time and to e-mail any thoughts to Mary Jane, Marilyn, or Kelly.

Full Committee consideration of the Assets & Liabilities disposition presented by Bill Dobbins:

On Draft #8, there were no changes until page nine. It was decided to add the \$2.5million for SAD #29 on there.

Question: Should the \$2.5 million have been added to 6a?

Answer: Bill agreed that it should have been.

Question: Was it not voted at the last meeting that the RSU would not pick up the \$2.5million?

Answer: There was a discussion about what was going to be done about that and have everyone come out clean after the five or six years. Everyone wanted to see what it would like. It is in the right place. There was a lengthy discussion at the last meeting regarding this. It was decided to see what it looks like relative to the cost sharing and keep it in 6b for now.

Answer: The other change to Draft #8 was 13e, disclosures and claims. This has been taken care of, so now there are none to report.

Question: Is 6g for the new arts center?

Answer: The new arts center is up to the new RSU board.

Question: Why is the \$2.5million for SAD #29 outside of the box?

Answer: That is where it was set for the time being.

Question: Concerned that it was not in the box with the others.

Answer: Bill explained that the information would be entered into the box once it is all received. It was agreed to put it inside the box on the final product.

Full Committee consideration on Cost Sharing presented by Bill Dobbins:

On Draft #5, not much was changed, only minor edits were made. What it comes down to is what it looks like. Bill distributed an excel sheet to show what it would look like. It shows what happens with the shift. The percentage of local share might change because a couple of districts are still going through the budget process. Years one and two are called hold harmless. They are actually the same percentages that are being worked on for this year. Year number three starts 80% hold harmless, 20% valuation. Year four 60/40, year five 40/60, year six 20/80, and year seven would be 100% valuation. If the local additional amount is \$3.8 million and you go strictly by those figures, then SAD 25, 29 and 14 will pick up the shift. That was the concern when the \$2.5 million renovation was talked about.

Question: The \$2.5 million is not in it yet?

Answer: No

Question: What happens with New Limerick and the plant?

Answer: There are two ways it can be adjusted. One, the RSU board can readjust it, or two the municipalities can go through their way. The second way comes under the old SAD law. It will be two years before valuation kicks in.

Bill distributed another spreadsheet showing columns highlighted in yellow. This is the same spreadsheet as the previous one passed out, but if the first yellow column is looked at, it shares the \$2.5 million, which is approximately \$206,000 per year. As you move up on valuation, everyone picks up part of the \$206,000. The spread is very minimal. Number one, the spread is 20%. In the third year, if you take 20% of the \$3.8 million over EPS (the goal is to get everyone down to EPS) then you are saying can you reduce the \$3.8 million by \$760,000. Year number four, is less 40%, and so on.

Steve Fitzpatrick: The first yellow column would have been \$3.8 million if the 20% had not been factored in. The figure would have been less by about \$46,000.

Question: If maintained status quo, what would it look like?

Answer: Using Bancroft as an example, you would take \$41,200 and take .01% of that and add it back in.

Question: Does the \$206,000 show up in the additional local?

Answer: Yes

Question: What happens with changes, are they going to be adjusted?

Answer: It will stay the same until year seven unless the board changes the mechanism.

Mary Jane: State equalized valuation is part of the state calculation in the subsidy every year.

Bill Dobbins: The percentages stay the same, valuation moves.

Comment: Over EPS will stay until it goes away or changes due to substantial changes in the situation.

Bill Dobbins: The target is to try to get everyone to EPS. Need to work to 100% EPS.

Comment: The numbers as far as the dollars will change as budget changes. For example, Patten might pick up \$80,000, and as the budget changes the amount they pay will be more, but percentage stays the same.

Question: How much is the loan payment?

Answer: \$206,000.

Steve Fitzpatrick: Once the seventh year hits, then it is total valuation.

Percentages are gone after seventh year. Year three is when it is percentage of valuation, so paying 10% of the 20% of the cost of the renovations. Only 20% is going to be infiltrated into the over EPS, 40% in year four, 60% in year five, and so on.

Question: Was it voted to not include the \$2.5 million and now it is being included?

Answer: Group wanted to vote to look at it again.

Comment: Not sure they are going about it the right way to include the arts center.

Answer: The arts center is not included in this, it is the Houlton High School renovations.

Comment: No matter where we live, still paying toward education.

Comment: If all is kept as status quo, all will be hurting. Reality is something is going to happen.

Comment: Paying same as far as education goes. Some towns are going up and some down, it will equal out in seven years.

Comment: That is not true, Houlton is going to raise \$9 million, that comes out to \$7,600 per child for tuition versus Hersey with \$12,160 per child for tuition.

Comment: Per student will change, valuation of the whole town works better.

Question: If the Houlton High School renovations had been completed prior to the RSU, would that have been include in the RSU budget?

Answer: Yes.

Comment: The renovation is coming at a bad time, but look at the RSU as a whole, it is logical to include the \$2.5 million because more than Houlton students benefit. Sacrifice one for the good of the all, sometimes the one has to help the all.

Answer: That is what the RSU does.

Question: Were debts taken from other schools?

Answer: There was no other debt. The past several meetings have been money, money, money, but you are losing sight of the kids.

Comment: Of the \$3.8 million dollars over EPS, you are going to get rid of \$3 million of it over seven years. What is going to go?

Comment: The amount of EPS is not going down, it is going up.

Comment: How much can the taxpayer take?

Comment: Have to prove to the taxpayers that they are not paying for the arts center.

Comments: Paying for a percentage of the renovation, and Houlton is paying more.

Comment: If nothing changes, Houlton goes from \$344,000 to \$982,000 by year seven. That is an overwhelming argument to include it.

Question: How do they sell \$600,000 increase to their taxpayers?

Comment: There will be a committee to get information out there.

Mary Jane: When you think of other communities sharing, it is a timing issue. That debt exists now, but other districts will more than likely need repairs down the road.

Comment: The board would make that decision.

Comment: Even though there are seven years, people are only going to look at the first two. Secondly, we are picking up \$2.5 million of Houlton's debt, but not paying for debt from other districts, specifically the phones and bleachers. Need to do it all or not. This is hard to sell on paper.

Bill Dobbins: Asked John Doe about what is owed on the bleachers.

John Doe: First payment was made this month, about \$49,000 remaining?

Terry Comeau: Owes about \$14,000 on phones.

Comment: A lot of this is going to be sold on the principal.

Comment: Need to put the phones and bleachers debt in the paid for column in section 6a.

Comment: Need to be consistent. If going to do for one town, need to do for all.

Mary Jane: In section six, disposition of existing school debts. Looking at changing 6b, that the local only debt in any of the systems, if going to be shared, should be shared by all.

Question: Would 6b no longer have anything in it?

Answer: Correct, local only. Only the renovations, bleachers and phones would move to 6a.

Question: Would it be phased in?

Answer: As long as it is consistent.

Terry Comeau: RUS may be faced with a new high school that may solve the problems.

Mary Jane: When ready to see if there is a consensus, it will be asked to treat all of the local debt the same way.

Question: With the ones for SAD 25 and CSD 9, they have maturity dates of 09 and 10, those are going to need to be taken care of short term?

Answer: Yes.

A motion was made and seconded to deal with 6b local only debt. All will be treated the same. The renovations, bleachers and phones will be moved to 6a.

Question: What is the \$46,200 under SAD 29?

Steve Fitzpatrick: That is local only debt, they are EPA loans used for past renovations.

Question: Is the \$11,000 part of the \$46,000?

Steve Fitzpatrick: Not sure, he will have to research.

A vote was had on moving all of the local debt only to 6a. There was one no vote, but when discussed further, and another vote take, there was consensus. The motion duly passed.

Bill Dobbins asked if everyone was comfortable with the cost sharing.

Question: Would like to see spreadsheet revised.

Comment: The more efficient we can get, the better the numbers look.

Comment: Like the concept, need to see what happens over time.

A motion was made and seconded to approve the concept behind the cost sharing, two years of hold harmless based upon the current percentage of over EPS, with 20% phase in over the next five years. There was consensus. The motion duly passed.

Full Committee consideration on the Transition plan presented by Steve Fitzpatrick:

Steve read through section nine, the transition plan that addresses the development of a budget for the first school year of the reorganized unit and interim personnel policies. This section is based on law and is pretty cut and dry. In section 12, shows moderated projections. He referenced the note on the second page, stating year one through year three savings through reduction in work force, at which point it will bring the RSU to the administrative model reflected in exhibit 12-1. A spreadsheet was distributed showing the aggregate of all the districts (exhibit 12-2). This reflects base year costs. The new central office costs plus the active contracts will amount to all except for the one superintendent reduction in force for \$1,303,722. The second year the increase is based by 3% projecting cost of living increase for the base for a projected base year of \$1,409,784. Year three was increased 3% as well. Footnotes one reflects savings to be realized through consulting services, contracted services, property and casualty insurance, legal services, dues and fees, and central office general supplies. Footnote two reflects addition costs related to melding the professional and support staff contracts, and the potential that the central office administration may be too small to serve the need of the RSU.

Question: \$65,000 is what the new superintendent will work for?

Answer: A more conservative salary was looked at.

Question: If a superintendent is hired, what would be their pay?

Answer: About \$100,000.

Comment: That is up to the new RSU board.

Comment: The average across the state is \$97,000.

Section 13 reflects other matters of the governing bodies and reorganization or administration, transportation, building and maintenance and special education. The state has already realized 5% of central office, 5% of special education, and maintenance. This region had received a grant last year to identify efficiencies. A report titled Region Two Collaborative Initiative, resulting from the results of the efforts to identify efficiencies, was distributed. This report is will be exhibit

13-1 in the plan. Section 11 is regarding an explanation of how units that approve the reorganization plan will proceed if one or more of the proposed members of the regional school unit fail to approve the plan. Option B was chosen by the Superintendents, which is what is reflected.

Mary Jane: The largest of the paragraph in number 11, if some voting no, but 50% of the average number of pupils are represented in the yes vote, and 50% of the aggregate fiscal capacity, meaning valuation, then those systems can go forward. Do not need both of these, can go on one or the other. There is nothing in the law that says you have to have both.

Steve Fitzpatrick: His suggestion is to go with the average number of students and to remove the sentence "and by SAU's representing at least 50% of the aggregate fiscal capacity of the SAU's in the proposed region"

Question: Why pupil versus valuation?

Answer: Based on the law, it is about pupil count, not valuation.

Comment: If one of these small units decides not to join, then will be penalized.

Comment: Still penalized if do not combine with another school.

Mary Jane asked everyone if they were comfortable with the language presented in sections 9, 11, 12, and 13a.

A motion was made and seconded to approve sections 9, 11 (with elimination of sentence previously mentioned), 12 and 13a. There was consensus. The motion duly passed.

Mary Jane mentioned that there needs to be one more meeting to see the whole plan.

A motion was made and seconded to approve Draft 8. There was consensus. The motion duly passed.

6. At the next meeting the following will need to be accomplished:
 - a. Approval of whole document
 - b. Name for the new RSU
 - c. Mission Vision language
7. The next meeting is scheduled for August 5, 2008 at 6:30pm at Houlton Southside School.

The meeting adjourned.

Respectfully Submitted,

Kelly Farnham

Regionalization Planning Committee

Meeting Minutes

Location: Houlton Southside School, Houlton

Time: 6:30pm

Date: Tuesday, August 5, 2008

Representatives from: MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Moro Plantation, Orient, Bancroft, and Hersey.

1. Steve Fitzpatrick, Superintendent of SAD #29, welcomed all the RPC participants.
2. Mary Jane asked for the approval of the July 22, 2008 minutes. A motion was made and then seconded to approve the minutes. The motion duly passed.
3. Mary Jane asked if there was any public comment related to the RPC's work. There were none.
4. Mary Jane asked if there was any questions or comments from the committee. There were none.
5. Mary Jane mentioned that a name needed to be chosen. The following suggestions were made:
 - a. Tri County Regional School Unit
 - b. North Woods Regional School Unit
 - c. Aroostook Hills Regional School Unit
 - d. Southern Aroostook Regional School Unit

An initial vote on each and the majority voted on the Tri County Regional School Unit.

Question: Does the school name need to be decided tonight?

Answer: Yes, it needs to be submitted with the plan.

Question: Can the name be changed later?

Answer: Yes

Mary Jane: There needs to be a legal name for documents, bank accounts, etcetera.

Question: Can we go with the RSU number for now and let the kids come up with a name later?

Mary Jane: The state will be assigning the RSU number at a later time, which is not know at this point.

Mary Jane asked for a consensus vote on the name of Tri County RSU for the name. There were a couple of no votes.

Comment: Would like the kids to come up with a name.

Comment: Important to have a name now.

Comment: Let the kids name the new school.

Comment: The name is the one thing that ties us all together, being three counties.

A second consensus vote was taken, which passed to approve the name as the Tri County RSU.

6. Mary Jane asked if there was any questions, comments or corrections on the plan that was distributed via e-mail and/or mail last week.

Comment: There has been some suggestions to the changes in the language on the education plan.

Mary Jane: On the cover page, in the first paragraph, there is a recommendation stating, "we recommend that an Education Advisory Committee serve as an adjunct to the RSU Board of Directors and administrators early in decision making process regarding: Pre K-12 programming, Supports for Students and Professional Development. While the role of the committee is advisory, those recommendations from the committee should receive due consideration by the Board of Directors in making their final decisions."

Mary Jane: Asked if wanted to suggest to new board that an advisory committee be set up. She asked if everyone felt it was important to have this advisory committee or sufficient for the board to set up their own committee.

Question: Can this be clarified?

Mary Jane: There is a recommendation for an education advisory committee, a committee outside of the board that would advise it and the administration on curriculum. Is this necessary or should the board set up their own committee?

Comment: Feels that this advisory committee is important to establish.

Comment: If board is going to be elected then you are putting group in place that has is self appointed versus a board that has to be elected.

Mary Jane: There is nothing that says how this group is selected, just that it is advisory.

Comment: Have a concern that this whole thing has not had to do with kids even though the state claims the benefit of the students.

Comment: Evident that this is driven by the bottom line. The state did not have the guts to say, "you have too many teachers, you have schools that do not have enough students so we are going to make you close down and make it your responsibility, not ours".

Question: It was asked for Mary Jane to read the section being suggested in the education plan regarding the advisory committee.

Question: Was this education plan what the committee who came up with approved?

Mary Jane: This was not the work of a committee. This was completed by Marilyn in relation to other plans completed around the state.

Question: Which one has been voted on?

Answer: None of this language has been voted on at all.

Marilyn: The language in the proposed education plan, was language copied from other plans she reviewed, including ones from Falmouth and KIDS.

Comment: We should let the other RSU's go with what they came up with and we should just submit what we came up with and not include that.

Comment: Let the RSU decide if they want an advisory board.

Comment: Believes what is being said is that this is a valuable piece, having people focused on the school curriculum, and keeping it at a higher level.

Comment: Would like to raise it to the level that we feel that education is a top priority.

Comment: As a board member, your time and your skills are not always in all areas. If have a group of people who focus on this one area, it would benefit this board much better.

Comment: This has been about money, it has not been about prioritizing. Only have been working on a new structure.

Comment: As a former board member, the priority was the kids. Those individuals who are chosen to serve on the new board and going to be no different than those that have served in the past. Their interest will be on the kids where it should be. Does not feel that it is right to tell a new board member that they are not going to be thinking about the kids.

Comment: As a board member, do not always have the opportunity to be an expert in curriculum. This committee would be just focused on curriculum.

Comment: As a board member, your job is to respect the Superintendent and Principal on their work and their programs. They should tell you what they need and you figure out how to get it for them.

Comment: This is not a board subcommittee. This is a recommendation only, consisting of teachers and community members.

Comment: Should hire a curriculum coordinator to advise the board.

Question: If set up a sub committee, where does the authority come from?

Mary Jane: This is a recommendation only, not "thou shalt", this is not law.

While waiting for copies of the wording in suggestion, it was asked if there were other things in the plan that needed adjustments.

Comment: On page 71, it shows the wrong towns data.

Bill Dobbins: The correct towns information will be put back in.

Exhibit 12-1 needs to be cleaned up, figures at the bottom need to be removed.

In section 3, the method of voting, the second sentence needs to be revised.

Mary Jane: After this is all completed, it will be sent to the lawyers, and to the state.

Question: Who are the lawyers handling?

Answer: Drummond Woodsum represents the school districts. The attorney working specifically on this is Rob Nadeau.

Mary Jane directed everyone back to the education plan first discussed after everyone read both versions. Mary Jane asked for a consensus vote to include the recommendation of the advisory group. There was not a consensus.

Comment: In the original plan, we are saying we are interested in the highest priority and sending that message.

A second vote for consensus was taken, there was no consensus. There was a caucus, and the vote still did not pass.

Mary Jane asked for adoption of language that started with "As the school units and town..." through page five. There was a consensus vote to exclude the recommendation of the education advisory committee.

It was asked that only the changes being requested be e-mailed out.

Question: Is this going to be proofread?

Answer: Yes.

Mary Jane asked for consensus to approve the whole plan. The consensus passed.

7. Mary Jane highlighted the next steps:
 - a. Final plan sent to the attorneys.
 - b. Plan goes before the respective school boards, which needs to be voted on to be sent to the state, not to approve, but to submit.
 - c. Communications committee will be put together that will put together an information campaign to get information to the citizens in the communities to get the information they need to vote.

Question: Who is on that committee?

Answer: The Superintendents and any volunteers.

Question: What if a board votes not to send the plan to the state?

Mary Jane: That will be a nightmare. This has happened in another area, but that district has since reconsidered. She stressed that the boards are not approving the plan, but this is only a vote to decide if the people get to vote on this.

Question: If one school board does not approve, then are penalties assessed to all?

Mary Jane: If only one community decides not to do that, then there is no reason why all of the other cannot still submit to the state. Depending upon the size of the town with the board voting no, it could minor or major impact on the whole plan.

Question: Will subsidies be held?

Mary Jane: They will hold subsidy for district administration and the mill rate that is expected of the locals to pay is multiplied by two percent.

Steve Fitzpatrick: The penalties are listed on the website, which are based on 2007 numbers.

Question: Are the penalties only for one year?

Mary Jane: No, every year.

8. Mary Jane expressed her enjoyment with working with this RPC committee. A couple of comments were made to Mary Jane thanking her for guidance. She also stated that there will be a thank you dinner, which will be held at the vocational school sometime in September. A letter will be sent out later with an invitation.

The meeting adjourned.

Respectfully Submitted,

Kelly Farnham

Regionalization Planning Committee

Meeting Minutes

Location: Mill Pond School, Hodgdon

Time: 6:30pm

Date: Monday, September 15, 2008

Representatives from: MSAD #14, MSAD #25, MSAD #29, MSAD #70, CSD #9, Moro Plantation, Orient, Bancroft, and Hersey.

1. Bob McDaniels, Superintendent of SAD #70, welcomed all the RPC participants.
2. Mary Jane distributed a letter received from the state in response to the plan that was submitted. She reviewed the comments and check list of items requested by the state. First, there needs to be a checklist, which has been taken care of. It was also asked that the minutes be moved to the end of the plan with the exhibits. On the second page, there were numerous things that needed to be addressed.
 - a. For number seven, John Doe mentioned that Southern Aroostook's teacher's contract had expired and that needed to be updated to state "in negotiations".
 - b. The next two paragraphs listed were addressed by Steve Fitzpatrick. He stated that the state wanted assurance that any grants received by individual districts would be assumed by the RSU and administered in

accordance to how the grant was set up. There is a sentence that will be added as well as letters from Commissioner Gendron and Drummond Woodsum Law as exhibits for that purpose. The sentence to be added states, "All existing grants in the previous existing school units will be assumed by the Tri County RSU. The Tri-County RSU will honor all applicable terms and conditions as well as obligations of said grants. Terry Comeau mentioned that they had received a new grant for the business learning, which was \$400,000.

- c. Mary Jane mentioned that number eleven referred to if some towns voted no. There was some language written and it was unclear if the committee had chosen option A or option B. It will be resubmitted to clearly state what was agreed to.
- d. In section 13-C Terry Comeau explained the staggered terms of the new board members. There are going to be fifteen board members, so there will be five with a one year term, five with a two year term, and five with a three year term. He explained that he would need a minute to discuss this further with the Governance committee to consider. People will draw straws to determine the length of their term. Mary Jane explained that the only thing that needed to be added to this section was the staggered terms and that everything else was fine.
- e. In section 13D, Bill Dobbins explained that just a clarification needed to be added to this section.
- f. For 13-H, Mike Howard explained that it just required that a sentence be added "for the CTE region and the issues..."
- g. Mary Jane mentioned that all of these are minor and will be corrected in version two of the plan.
- h. For Section 13-B, Mary Jane explained that some additional information came forward that created a different way of doing the cost sharing. It was decided to bring to the committee to see if it was liked better than the option previously submitted. It was decided tonight to change the cost sharing, that would have to be submitted as an amendment to the boards and they would have to agree to forward on to the state. Bill Dobbins first explained that there were two minor changes, one to remove 2012 from one section and re-word another to read "manner at least every year, for". He also distributed a cost sharing concept. For years one and two, they were hold harmless, year three was 80% hold harmless and 20% valuation. This is where the shift can be seen, some towns will have an increase and some a decrease. If you add up all of the reductions \$91, 901 that would be reduced. The concept is to make it a little more fair for everyone in the program. For example, for the town of Danforth, the addition from year two to year three would be \$13,132 and it would move \$6,566.

Question: Would this effect the debt being picked up?

Answer: No, nothing else has changed. SAD 14, 25 and 29 were getting a spike so it is getting moved to make it a little easier.

Question: Was the formula changed?

Answer: It changes the formula for the reduction and additions.

Question: How long to 100% valuation?

Answer: Seven years.

Comment: The money needs to be made up somewhere.

Question: What happens in year four?

Answer: Go into original formula in year four and take the difference between year three and find out what the total reduction is and divide by two. Not sure what is going to happen in the future, so should go out three years and let the new board decide.

Question: What happens if LP does not go down and have an increase in valuation?

Answer: That will be up to the new board to review.

Comment: This model is based on if everything says the same and it is not going to stay the same.

Mary Jane: Asked for comments regarding the cost sharing and mentioned that there are a couple of options. One, is to keep as is. Two, to make change and adopt the concept that Bill Dobbins presented on.

Comment: A third option was suggested to extend the hold harmless for three years and leave it at that. It is difficult to project out the costs for seven years and dealing with numbers that become less and less realistic. It should be an option to hold harmless for three years and leave it up to the RSU board to decide after that. It is felt that this is a simpler option.

Mary Jane: She clarified the now three options: One, leave as is. Two, adopt the safety net option that was presented. Third, hold harmless for three years and which point the new RSU board will have examined the issues and made recommendations to decide what will happen after the third year.

Question: With what has been presented, is only a recommendation, the new board can change it anyway?

Answer: Yes.

Question: Thought that nothing would happen in the first two years, no one would be laid off and no schools would be closed. Anyone in the general public only hears otherwise.

Mary Jane: Nothing has been found in the law stating this.

Question: Thought that schools cannot be closed in the first year.

Mary Jane: She explained that according to the new law, it would take a two thirds vote by the new school board to close a school and then it would have to go to referendum in the towns that send students to that school. This all takes time. She said that nothing major is going to happen in the first year or two, then it is unsure what will happen.

A motion was made and seconded to leave the cost sharing plan as is.

Question: With third option, would all of Bill's work be null and void?

Answer: After the third year, yes.

A consensus vote was taken, which did not pass with three people voting it down.

Comment: There are other districts a lot more over EPS that feel they are being penalized into the future and feel they are being penalized even more. There is another side to the coin. It would be making it worse if hold harmless for three years.

Comment: It is important to consider the likelihood that Houlton voters will go for this plan. It is personally felt that they will not and it will be a hard sell.

Comment: If factored in \$140 million coming in from LP in two years, will make substantial change in the numbers. We are looking at spreadsheets as though nothing is going to change.

Mary Jane: Everything is going to change.

Comment: This new amendment would help Houlton pass, but would not help CSD 9 pass. If decide to change this, then need to go through the process again. There is no point in changing.

Comment: No matter how much perfume you put on this, it is still going to smell.

Comment: If it is decided to change now, we would miss our chance to vote on it in November and that would put it into January when there would be only one chance vote and not a second chance. This is only advisory from us because the superboard can do whatever they want.

A second consensus vote was taken, which did not pass with two voting it down.

The group moved to caucus.

Following was the vote for keeping the cost sharing plan the same:

SAD 14	yes
SAD 25	yes
SAD 29	yes
SAD 70	yes
CSD 9	yes
Hersey	yes
Moro	absent
Bancroft	yes
Orient	yes

The motion passed to keep the cost sharing plan as is.

3. Mary Jane mentioned that there was one other small change not in the state's letter. In section 8, regarding school funds, it needs to be mentioned to what happens to summer salary pool and what happens to those schools who have not set aside money for this. It will be added that it is the responsibility of those

towns who have not approved the salaries, but they can accrue it over a couple of years.

4. The redrafted plan will be sent out via e-mail or mailed to those have given their addresses to Kelly. Should anyone else wish to have theirs mailed, they need to get their addresses to Kelly. Copies will also be available in the Superintendent's Offices as well.
5. Public meetings will be held in the various SAU's and towns, and it is also required to have meetings for Hersey, Orient, Bancroft, and Moro Plantation.
6. The flyers will be distributed via bulk mail and grocery stores. The Pioneer Times and Bangor Daily News will list the meeting times as well.
7. The thank you dinner will be rescheduled for November and invitations will be sent out.

The meeting adjourned.

Respectfully Submitted,

Kelly Farnham

EXHIBIT 12-2

	MSAD #14	MSAD #75	MSAD #29	MSAD #70	CSD #9	ORIENT	MORO	BANCROFT	HERSEY	TOTAL ALL
	FY 08 Budget FTE's	FY 08 Budget FTE's	FY 08 Budget FTE's	FY 08 Budget FTE's	FY 08 Budget FTE's	FY 08 Budget FTE's	FY 08 Budget FTE's	FY 08 Budget FTE's	FY 08 Budget FTE's	FY 08 Budget FTE's
DW - Sch Comm Board Stipends	\$2,000.00	11	\$2,000.00	\$2,350.00		\$900.00	\$300.00	\$450.00	\$105.00	\$5,105.00
DW - Sch Comm Travel and Conference	\$2,000.00		\$2,000.00	\$800.00		\$0.00	\$0.00	\$0.00	\$0.00	\$5,105.00
DW - Sch Comm Board Pica Taxes	\$0.00		\$0.00	\$148.00		\$56.00	\$0.00	\$7.00	\$0.00	\$211.00
DW - Sch Comm Board Medicare Taxes	\$0.00		\$0.00	\$35.80		\$13.60	\$0.00	\$2.80	\$0.00	\$76.00
DW - Sch Comm Board Unemp. Comp.	\$0.00		\$0.00	\$2.00		\$0.00	\$0.00	\$0.00	\$0.00	\$2.00
DW - Sch Comm Workers Compensation	\$2,000.00		\$2,000.00	\$5,040.00		\$895.00	\$0.00	\$0.00	\$0.00	\$7,000.00
DW - Sch Comm Consulting Services	\$8,000.00		\$6,500.00	\$7,000.00		\$1,033.00	\$0.00	\$0.00	\$0.00	\$14,033.00
DW - Sch Comm Property and Cas. Ins.	\$9,500.00		\$11,000.00	\$17,000.00		\$1,117.06	\$0.00	\$590.66	\$0.00	\$27,803.26
DW - Sch Comm Legal services	\$15,000.00		\$30,000.00	\$14,000.00		\$2,336.57	\$0.00	\$1,055.77	\$0.00	\$37,492.47
DW - Sch Comm Printing & Binding	\$0.00		\$850.00	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$850.00
DW - Sch Comm Equipment	\$2,250.00		\$5,700.00	\$5,600.00		\$976.00	\$0.00	\$95.00	\$0.00	\$12,701.00
DW - Sch Comm Dues	\$5,000.00		\$15,100.00	\$1,300.00		\$10,750.00	\$0.00	\$0.00	\$0.00	\$28,150.00
DW - Sch Comm Related Other	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DW - Sch Comm Elections	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL SCH COMM	\$70,423.67	\$44,750.00	\$69,650.00	\$142,265.00	\$0	\$47,398.63	\$1,348.00	\$2,226.43	\$1,231.00	\$233,092.33
DW - Central Off Superintendent Salary	\$82,000.00	1	\$89,608.00	\$71,100.00		\$15,000.00	\$900.00	\$15,000.00	\$4,746.15	\$358,354.15
DW - Central Off Assistant Supr Salary	\$0.00		\$36,846.00	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$36,846.00
DW - Central Off Business Manager Sal	\$0.00		\$33,150.00	\$34,000.00		\$0.00	\$0.00	\$0.00	\$0.00	\$107,000.00
DW - Central Off Professional Credits	\$0.00		\$20,383.00	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$20,383.00
DW - Central Off Accounts Payable Sal	\$52,848.00	1	\$27,814.00	\$35,012.00		\$5,745.00	\$0.00	\$3,345.00	\$0.00	\$100,000.00
DW - Central Off Payroll Salary	\$33,848.00	1	\$27,814.00	\$35,012.00		\$5,745.00	\$0.00	\$3,345.00	\$0.00	\$100,000.00
DW - Central Off Teachers Salary	\$20,000.00		\$27,927.00	\$29,800.00		\$6,830.00	\$0.00	\$0.00	\$0.00	\$146,832.00
DW - Central Off Health Insurance	\$0.00		\$0.00	\$432.00		\$0.00	\$0.00	\$0.00	\$0.00	\$432.00
DW - Central Off LTD Insurance	\$0.00		\$0.00	\$968.00		\$0.00	\$0.00	\$0.00	\$0.00	\$968.00
DW - Central Off Life Insurance	\$0.00		\$0.00	\$3,000.00		\$0.00	\$0.00	\$0.00	\$0.00	\$3,000.00
DW - Central Off Retirement Contributions	\$400.00		\$6,800.00	\$3,100.00		\$451.00	\$0.00	\$221.00	\$0.00	\$10,172.00
DW - Central Off Pica Taxes	\$1,019.00		\$3,600.00	\$300.00		\$340.00	\$0.00	\$50.00	\$0.00	\$1,009.00
DW - Central Off Medicare Taxes	\$131.00		\$225.00	\$432.00		\$130.00	\$0.00	\$10.00	\$0.00	\$355.00
DW - Central Off Unemployment Tax	\$800.00		\$2,100.00	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$2,100.00
DW - Central Off Workers Comp	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DW - Central Off Other Prop. Benefits	\$16,000.00		\$0.00	\$0.00		\$1,180.00	\$0.00	\$1,180.00	\$0.00	\$32,000.00
DW - Central Off Outrighted Services	\$240.00		\$2,000.00	\$1,000.00		\$80.00	\$0.00	\$50.00	\$0.00	\$8,000.00
DW - Central Off Public Relations	\$0.00		\$1,000.00	\$2,000.00		\$0.00	\$0.00	\$0.00	\$0.00	\$6,000.00
DW - Central Off Reports & Maint.	\$0.00		\$1,000.00	\$5,000.00		\$1,100.00	\$0.00	\$1,100.00	\$0.00	\$11,500.00
DW - Central Off Lease cost - copiers etc	\$1,000.00		\$3,000.00	\$8,500.00		\$0.00	\$0.00	\$0.00	\$0.00	\$15,500.00
DW - Central Off Communication	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DW - Central Off Postage	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DW - Central Off Advertising	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DW - Central Off Printing & Publishing	\$3,300.00		\$2,500.00	\$4,000.00		\$1,100.00	\$0.00	\$1,100.00	\$0.00	\$10,900.00
DW - Central Off Staff Travel	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DW - Central Off A.V. Materials	\$2,500.00		\$6,000.00	\$5,000.00		\$500.00	\$0.00	\$500.00	\$0.00	\$13,500.00
DW - Central Off General Supplies	\$1,500.00		\$1,500.00	\$800.00		\$450.00	\$0.00	\$450.00	\$0.00	\$8,400.00
DW - Central Off Books & Periodicals	\$1,500.00		\$1,500.00	\$2,000.00		\$450.00	\$0.00	\$450.00	\$0.00	\$12,450.00
DW - Central Off Dues & Fees	\$2,190.00		\$5,800.00	\$2,500.00		\$700.00	\$0.00	\$490.00	\$0.00	\$12,980.00
DW - Central Off Related Other	\$300.00		\$1,000.00	\$8,800.64		\$470.00	\$0.00	\$100.00	\$0.00	\$14,000.00
DW - Central Off Equipment	\$0.00		\$0.00	\$2,000.00		\$400.00	\$0.00	\$0.00	\$0.00	\$2,400.00
DW - Central Off Electricity	\$1,200.00		\$0.00	\$4,800.00		\$400.00	\$0.00	\$400.00	\$0.00	\$9,600.00
DW - Central Off School Leases	\$1,200.00		\$0.00	\$4,800.00		\$400.00	\$0.00	\$400.00	\$0.00	\$9,600.00
DW - Central Off Heating Oil	\$12,198.00		\$207,421.00	\$227,644.00		\$37,148.00	\$0.00	\$6,746.15	\$0.00	\$1,136,958.84
TOTAL CENTRAL OFF	\$132,691.67	\$207,421.00	\$382,338.00	\$227,644.00	\$0	\$57,148.00	\$0.00	\$6,746.15	\$0.00	\$1,368,731.67
TOTAL SCH COMM & CENTRAL OFF	\$193,691.67	\$252,171.00	\$511,978.00	\$272,909.00	\$0	\$57,148.63	\$2,301.05	\$19,772.15	\$1,231.00	\$1,916,743.51

REGION TWO COLLABOATIVE INITIATIVE

FINAL REPORT

February, 2008

SAD 14, EAST GRAND - Bill Dobbins

SAD 25, Katahdin - John Doe

SAD 29, Houlton - Steve Fitzpatrick

SAD 70, Hodgdon - Bob McDaniels

CSAD 9, Southern Aroostook community School - Terry Comeau

Region Two School of Applied Technology - Mike Howard

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INTRODUCTION/PURPOSE

“The Fund for the Efficient Delivery of Educational Services” was established by Maine Public Law 2005. Its purpose was to provide funding to school administrative units to support planning to achieve significant and sustainable savings in the cost of delivering educational services and improved student achievement. Among the possible results expected were:

- **Collaboration in the performance of administrative functions**
- **Collaboration in the delivery of educational services**
- **Enhanced regional delivery of educational services or support**
- **Broad based purchasing alliances**

The Superintendents of six school districts -

- **SAD 14, East Grand - Bill Dobbins**
- **SAD 25, Katahdin - John Doe**
- **SAD 29, Houlton - Steve Fitzpatrick**
- **SAD 70, Hodgdon - Bob McDaniel**
- **CSAD 9, Southern Aroostook Community School - Terry Comeau**
- **Region Two School of Applied Technology- Mike Howard, Director**

successfully applied for a grant under this fund.

Their goals were to efficiently manage district costs while providing a high quality education for all students in the districts. They recognized that as the communities change, it is becoming more difficult to sustain the expenditures necessary to provide each of the students the level of education they deserve. So they concluded that it is essential to take action before the public does so by voting against the needed funding. Region Two school of Applied Technology , proactive in working regionally prior to the consolidation law, brought the schools together to collaborate in this initiative.

The leaders wanted to increase both efficiency and effectiveness in their respective organizations by working together collaboratively. The group has worked for over a year with consultant Mary Jane McCalmon to do the collaborative planning.

This document is intended to report on the work done to identify and develop the plan to implement both the savings and the educational program enhancements.

APPROACH TO THE WORK

The report breaks the work into five phases. The first phase involved getting organized to proceed. The Steering Committee worked with the consultant on getting clear about what the work should look like, developing an agreed upon detailed work plan. The group also worked out the respective roles of the members of the Steering Committee and the consultant.

The second phase of the work focused on gathering data from staff members and the community about possible areas to investigate to save money, or improve service or performance.

The third phase focused on analyzing the data from the stakeholders and prioritizing the identified opportunities to gain efficiencies or improvements.

The fourth phase shifted to engaging role-alike staff groups in doing the planning needed to achieve the efficiencies & improvements. Lastly, the fifth phase focused on how all of the work served to support the possible future consolidation of the five school districts. The State Legislature enacted a new School Administration Reorganization law in June 2007, requiring all school districts in the State with less than 2500 students to consolidate with other districts and reorganize administrative functions. At that point the substantial work done by the Steering Committee and staff began to transition to getting ready for possible consolidation of the five school districts.

PHASE ONE: GETTING ORGANIZED

The first order of business was to organize a Steering Committee to guide the process and be accountable for the desired outcomes. The Steering Committee was made up of the Superintendents of the five school districts, and the Region 2 School of Applied Technology Director

(listed on page 2). The group defined the major steps in the process, created a detailed work plan, and established a time line for completion of those tasks. They agreed upon some criteria they would use to evaluate the identified efficiencies. See exhibit 1 below:

Exhibit 1	CRITERIA:
<ol style="list-style-type: none">1. Creates an efficiency in the use of our resources (saves money or reallocates \$ to teaching and learning.2. Improves the quality of education for our students.3. Is supportable by staff and community.	

The general structure of the work included seeking broad stakeholder engagement in identifying possible areas to investigate for efficiencies, evaluation of those possibilities using the above criteria, prioritization of ideas to narrow down the field of efficiencies to further investigate, and action planning around those strategies that rose to the top.

The Steering Committee met at least monthly, starting in February 2007 for oversight purposes. Additionally, members of the committee spent significant amounts of time in all steps in the process. Their physical presence was important because it sent a message that this work was important, and that they were committed to it.

PHASE TWO: DATA GATHERING

The data gathering phase opened up the process to invite the thinking of staff, students, parents and community. The goals of that stakeholder input were to garner as many good ideas as possible from various perspectives, to build local ownership for the collaboration among the school systems, and to maintain quality education without increasing the burden on tax payers.

A series of focus groups were conducted by the consultant and members of the Steering Committee. A total of 17 different groups, including staff, parents and community members were interviewed, each for about an hour, producing a rich data bank. See Appendix 1 at the end of the report for a complete list of stakeholder groups that participated. Each group was asked a standard series of questions aimed at surfacing desired outcomes, good ideas, and barriers or worries about the work.

See Exhibit 2 below:

FOCUS GROUP QUESTIONS

- 1. What are the 2-3 most important outcomes you would like to see from this work?**
- 2. What are the areas we should examine for collaboration, consolidation, or resource sharing among our school districts that would save money and/or improve service, or performance?**
- 3. Are there areas you feel strongly should not be subject to collaboration, consolidation or resource sharing?**
- 4. What are the barriers you believe the districts will encounter in trying to implement any regionalization of district functions/**
- 5. Any advice you would like to give us as we embark on this work?**

The focus groups were conducted during February and March of 2007.

Universally people appreciated being asked for their ideas, and the meetings were all productive and positive.

PHASE THREE: DATA ANALYSIS

All of the ideas produced in the data gathering stage were documented, and organized by theme for analysis by the Steering Committee. The data fell into the following categories: (for complete list of ideas by category see Appendix 2 at the end of the document)

- Teaching and Learning
- Professional Development
- Technology
- Special Education
- Shared Staff
- Transportation
- Purchasing
- Food service
- District Administration

During the month of April the Steering Committee analyzed the data using the previously agreed upon criteria, resulting in an identification of high priority ideas to be pursued. See Appendix 3 for the list of the prioritized ideas.

The Steering Committee agreed that we needed to set up a series of small group meetings of staff who could pursue the investigation of the priorities, and to plan for possible implementation of those strategies. A plan was developed that defined the staff group meeting structure and a schedule for those meetings.

PHASE FOUR: FOCUSED EFFICIENCY PLANNING

During the months of May and June a series of meetings were held involving staff groups from all of the participating systems to pursue the work identified as having potential for savings, and/or improved organizational performance. The working groups identified to carry out that next phase of the work were:

- Food Service Coordinators
- Technology Directors
- Transportation Leaders
- Special Education Directors
- Professional Development Coordinators
- Curriculum leaders
- Building & Grounds Leaders
- Athletics Directors
- District Office (Superintendents)

In addition to these working groups, all of the administrative teams from the five districts and the Region 2 Director met in June to stay informed about the work and to do some planning to support the working groups. See Appendix 4 for agenda/results. Each of the groups identified viable changes that would gain efficiencies and/or improve performance in some way.

The food service directors, for instance, agreed to plan and implement development of a common menu, with the first step of actually implementing common menu items 60% of the time as a trial for this year. They also worked on common purchasing, made easier with the common menu. Additionally they are working together to plan and implement professional development for their staff, resulting in more efficiency and higher levels of performance. For a more comprehensive look at group meetings and their agendas see Appendix 5 at the end of the document.

PHASE FIVE: TRANSITIONING TO CONSOLIDATION

In June 2007 the Governor and the State Legislature passed new legislation requiring school districts under 2500 student population to consolidate. As a result of that legislation the five school districts involved in the grant sent a letter of intent to the Commissioner of Education to form a Regionalization Planning Committee to enter into negotiations to consolidate the respective districts. The RPC began meeting in early September 2007.

In the face of that consolidation possibility the working groups met again in October – November 2007 and began to talk about how each of the respective functions (transportation, maintenance, etc.) would be organized in a consolidated school district, with an eye toward continuing to find efficiencies, and performance enhancements.

Every one of the groups has focused on a short list of items they believe will result in more efficient, effective operation of their functions, and they are continuing to plan for implementation of changes. The intention is to pursue these strategies in either a collaborative relationship, or in a consolidated structure. A list of the specific items each group is working on can be found in Appendix 6 at the end of this report.

A series of working group meetings is already scheduled for March 2008 to continue this important work.

FOCUS GROUP THEMES

APPENDIX 2

TEACHING & LEARNING:

- 1. Common curriculum**
- 2. Common schedule (year/day)**
- 3. Increased academic choices for learners**
- 4. Extended day programming for kids**
- 5. More courses re. Businesses in area ex. auto/metal working**
- 6. Share curriculum expectations**

7. Three of five use NWEA - maybe all
8. High quality regional summer school
9. Share teams in sports - ex. golf (not major sports)
10. Give up Harvest Break

PROFESSIONAL DEVELOPMENT

1. Regional professional development needed - high quality
2. Quality long term planning done together
3. Share expertise of our staff in operations, technology & teaching
4. Support for adoption of new practices
5. Grade level meetings needed across district
6. Support new teachers
7. OSHA/other training for operations staff, food service, etc.-do together regionally
8. Develop expertise in 'green operations', energy related areas
9. Share all P/D resources - videos, etc.
10. Plan common professional development days
11. CSR \$ gone - plan our own learning groups
12. More P/D days needed for C/A/I planning together
13. Use ATM for staff development

TECHNOLOGY

1. Common purchasing - hardware, software
2. Joint training
3. Common long term planning
4. Use for educators & operations staff
5. Use ATM more for classes, esp. high level ones
6. Create Tech Integrator position for all 5 districts - work with teachers
7. Support ATM use through professional development & incentives

8. Create email network among all staff
9. Use same administrative software - ADS - multi user license
10. Develop virtual private networking
11. Directors need to meet regularly
12. Pioneer Wireless great resource
13. Create list serve for all of us to use
14. One Student Info System
15. Use ATM to share expertise of OUR staff - they can help lower achieving learners
16. One wide area network: one person in charge - reduce # of servers etc

SPECIAL EDUCATION

1. Need a Spec Ed Director for all districts w/Masters degree to manage the tougher PET's.
2. Share Sp Ed programs/services, ex. speech, OT
3. Collaborate/share transportation for job placements
4. One Sp Ed Director/21st Century Program Director
5. Share expensive equipment - ex. vision screening

SHARED STAFF

1. Psychologist
2. Grant writer
3. Nurse w/C.N.A. staff under her direction
4. Elementary guidance
5. Need art, music, chorus, drama, GT - pool \$ to get these
6. Athletic Director
7. One Adult Ed program using different sites
8. One sub pool
9. Coordinate library services/staff

TRANSPORTATION

1. More runs between buildings to increase opps for students to participate in classes
2. Eliminate second run for late students
3. Monthly manager meetings
4. Coordinate trips to same destination
5. Central repair facility & store spare parts
6. Share 'spare' drivers
7. Develop shared preventive maintenance program
8. Consolidate some runs (Topsfield)
9. Piggy back after school runs
10. Common radio frequency needed (Homeland Security Grant?)
11. "Lend" emergency parts to one another as needed
12. Privatize transportation function

PURCHASING

1. Science equipment
2. Technology - hardware & software
3. All supplies - education & operations
4. Fuel bids
5. spare parts for busses & tires
6. Food
7. Mechanical services contract
8. Centralize building/grounds contracts
9. division of labor - develop expertise among staff & share
10. Copiers, printers
11. Sp Ed contracts
12. Common contract for insurances - busses, property etc.

GENERAL ADMINISTRATION

1. One central office
2. One payables staff, payroll staff/service
3. One superintendent
4. One employee contract for all 5 districts for teachers etc.
5. Centralize paperwork for building/grounds

FOOD SERVICE

1. Common menu
2. Monthly director meetings
3. Leaner, healthier menu planning
4. Include Ashland director in common planning

HIGH PRIORITY AREAS FOR INVESTIGATION

APPENDIX 3

PROFESSIONAL DEVELOPMENT

1. Regional professional development for all staff *
- Grade level clusters meetings
- Common professional development days
 - Create a structure to do the planning for those days
2. OSHA training for operations staff regionally
3. Share staff expertise - use those people
4. Use ATM as a means of sharing staff

5. Add professional development time/days

TECHNOLOGY

1. Use ATM for more classes, ex. math lab *
2. Map what we have now, and how it is used, hardware, software, expertise *
3. Common purchasing of hardware and software
4. Technology Directors meet regularly
5. Create email network among regional staff
6. One common Student Information System

SPECIAL EDUCATION

1. One Special Education Director for the five districts *
2. Standardize procedures/ reports/ protocols for special education work
(Maine State Billing CASE) *
3. Shared services/programs

TRANSPORTATION

1. Monthly director meetings
2. One regular coordinator for all districts
3. Centralized repair facility, with spare parts storage, etc. *
4. Investigating the privatization of transportation *
5. A common radio frequency

PURCHASING

1. Copiers/printers *
2. School supplies *
3. Mechanical services contracts
4. Lawn care services (Not mowing)
5. Food

FOOD SERVICE

1. Common menu w/ leaner, healthier food & common purchasing *
2. Regular Director meetings

GENERAL ADMINISTRATION

1. Investigate feasibility of one central office. *

CURRICULUM ASSESSMENT INSTRUCTION

1. Common curriculum *
2. NWEA for all districts *
3. Common schedules for school day *
4. Quality summer program
5. Extended day programming
6. Lengthen ed school day to create more student learning time, and make better use of existing school day time

(*Blue denotes highest priority within each category)

ADMINISTRATIVE TEAMS MEETING

June 21, 2007

AGENDA

1. Welcome - purpose

2. Check in

- Intros
- A wish for this collaborative work

3. Review of high priority areas for Investigation

- Informal dialog for understanding
- Status report on each area to update the group
- Discussion of changes/additions based on State DoE action on school district consolidation

4. Analysis of areas of focus for Administrative Teams

- Professional Development - Special Education Director
- Common Curriculum/ calendar - ATM use
- Accessibility of Advanced classes
- What is the work?
Develop/share data about current reality & future possibilities for each arena (whole group)
- How does the work proceed?
Drafting a plan for what the work would look like, including goals/action steps. (Individuals choose an area to work on)
- Is there agreement on the draft plan of action?
Subgroups report out their first draft and get feedback from group, and edit their draft based on that feedback.

5. Next steps/close

MEETING OUTCOMES

- 1. Build connections among districts' administrative staff**
- 2. Common understanding of 'collaborative initiative' work to date**
- 3. Plans for further investigation of high priority areas of focus**

- 1. Building/Grounds**
 - a. Energy strategies
 - b. Management of building renovation/maintenance
 - c. Common management of training
 - d. Staffing management
 - e. Supplies management

- 2. District Office Staff**
 - a. Common purchasing
 - b. Common technology system
 - c. Common training
 - d. Share payables
 - e. Identify "start up" tasks for new RSU

- 3. Food Service**
 - a. Common menus – maintain, advance
 - b. Purchasing bid
 - c. Professional development
 - i. Nutra-Kids, Serve-Safety, Hazard analysis
 - d. Moving toward consolidation
 - i. One director with team leaders
 - ii. Build opportunities to provide food for other groups
(ex. Meals on Wheels – revenue)

- 4. Professional Development**
 - a. Common professional development planning/implementation
 - i. March 08
 - ii. Common PLC implementation support
 - b. Establishment of a Professional Development Leadership Team
for Region 2 – next steps

5. Curriculum Development
 - a. Compare current ELA, Math Science curricula
 - b. Compare current programs of study, requirements to graduate
 - c. Curriculum Leadership Council
6. Special Education
 - a. Moving toward consolidation
 - i. IEP Management
 - ii. State Reporting
 - iii. Professional Development
 - iv. Personnel management (internal, external)
7. Technology
 - a. Planning for how things will be done w/consolidation
 - i. Budgetting
 - ii. Equipment maintenance
 - iii. Inventory
8. Transportation
 - a. Planning for new RSU
 - i. Hiring
 - ii. State Reports
 - iii. Training
 - iv. Route planning, management - State software
 - v. Fuel
 - vi. Repairs
9. System Administration
 - a. Moved to RPC subcommittee

BUILDING/GROUNDS

1. ENERGY EFFICIENCY

- Look at alternative fuels to put in the energy mix
- Timer for heat, with night set back
- Look at getting additional oil tank
- Increase capacity to store fuel
- Buy when price is low
- Explore feasibility of doing an energy audit
- Look at a "green" school, ex. East End Elementary - Portland
- Mechanical services: determine which company to go with; Honeywell or Mechanical Services

2. BUILDING RENOVATION MANAGEMENT

- Determine building renovation needs, including energy elements
- Identify internal people who have skills to do specialized work, ex. window replacement, shingle/siding replacement etc.
- Consolidate bid on roofing contracts
- Common contract for boiler maintenance & sprinkler/fire alarms
- Investigate to see if plowing/mowing in-house is less expensive

3. TRAINING

- Plan for bulbs disposal, some no longer contract w/Chem Safe
- Coordinated planning for training of new employees

- Management system needed for all required trainings - master list of requirements & status of each staff member's participation
- Coordinate yearly calendar of training

4. MANAGEMENT OF STAFFING

- Director manages hiring
- Identify who has what areas of expertise among staff so internal responsibilities can be assigned wisely
- Designate a "Chemical Hygiene Officer"

5. MANAGEMENT OF SUPPLIES

- Identify supplies items that are the same and different; agree on what should be purchased in common in future
- Develop a site for centralized storage for bulk purchases
- Bring a Building/Grounds person in who has experience in a larger system, ex. Dave Marshall, SAD 17

6. CONSOLIDATION

- Fear no savings there
- Fear contracting out will happen
- Fear loss of efficiency
- Fear our hands will be tied - bureaucracy
- Want to make sure that productivity of staff is high - real way to save money
- Can we do an efficiency audit - to determine best way to assign roles/responsibilities?

SPECIAL EDUCATION

WHAT WILL MANAGEMENT OF SPECIAL ED LOOK LIKE IN RSU # 2?

1. IEP's

- **Director:**
 - Will be present at high need/high cost risk meetings
 - Will be responsible for overseeing compliance, assuring that IEP's are run where/how they need to be
 - Put people/processes in place to assure compliance
 - Assure accountability for compliance
- **Building Coordinators:**
 - System of building or cluster of buildings coordination of PET's, and IEP's
- **Student Files**
 - Maintained @ students' building
 - Inactive files maintained at District office

2. STATE REPORTS

- **Director responsible for all completion of State/Federal reports: seeks input from staff**

3. PROFESSIONAL DEVELOPMENT

- **Director:**
 - Stays current on reuls/regulation from State & Federal Govts.
 - Organizes professional development for staff to assure best practice reparding paperwork and classroom practice'

- Orientation and induction of new staff
- Oversee required trainings, ex. Ed Techs
- Oversee proper qualification, certification
- Maintains a system of consistent communication with all Special Ed staff

4. Personnel (internal), Contracted Services (external)

- Principal:
 - Makes recommendations on hiring Special Ed teachers to Supt
- Director:
 - Involved in hiring committee
 - Recruit contracted services staff and oversee performance
 - Look into hiring vs. contracted services
 - Involved in evaluation of new special education teachers and contracted services personnel when needed

5. Budget

6. Policy

7. Outside Agencies

8. Program establishment/implementation/evaluation

9. Student evaluation

TRANSPORTATION

WHAT WILL MANAGEMENT OF TRANSPORTATION LOOK LIKE IN THE NEW RSU 2?

1. *HIRING*

- Hiring of drivers done by new Director of Transportation
 - Interview & recommend to Superintendent, who hires (no board approval needed)
 - Subs hiring done solely by Director of Trans. (No supt involved)

2. *STATE REPORTS*

- Done by Director/secretary, signed by superintendent

3. *TRAINING/PHYSICALS/TESTING*

- All coordination done by new Director

4. *ROUTES*

- Planning of routes, assignment of drivers done by Director, in Consultation with Superintendent, esp. on "hot" issues

5. *BUS & FUEL STORAGE*

- Bidding done by Director
- Storage decentralized or credit cards with local stations

6. *BUS REPAIRS*

- Busses stored in decentralized way
- Minor repairs

- Lights, heater motors, boosters
- Alternators, batteries
- Rely on team leader/head bus driver in separate areas to do some of the urgent work, or dispatcher makes arrangements for repairs
- Five mechanics
 - 1 SACS, 1 Katahdin, 2 Houlton/Hodgdon, 1 Danforth

7. No Presque Isle contract, or very little

Current data: 60 busses
40 regular runs
2 Kindergarten runs
6 Pre K runs

EXHIBIT 13-D.2

SAU	Description
BANCROFT	ALL STUDENTS PRE-K TO 12 MAY ATTEND EITHER S.A.D. #14, S.A.D. #70, S.A.D. #30, OR LEE ACADEMY. THE RSU MUST PAY THE MAXIMUM ALLOWABLE TUITION RATE FOR EACH STUDENT WHO ATTENDS SAD 30 OR LEE ACADEMY AND ASSESS BANCROFT THE DIFFERENCE BETWEEN THE RSU APPROVED TUITION RATE AND THE RECEIVING SCHOOL TUITION RATE PURSUANT TO 20-A MRSA SECTION 1479(5).
HERSEY	ALL STUDENTS PRE-K TO 12 MAY ATTEND EITHER S.A.D. #25, HERSEY, MORO OR C.S.D. #9.
MORO	ALL STUDENTS PRE-K TO 12 MAY ATTEND EITHER S.A.D. #25, HERSEY, MORO OR C.S.D. #9.
ORIENT	ALL STUDENTS PRE-K TO 12 MAY ATTEND EITHER S.A.D. #14 OR S.A.D. #70.

EXHIBIT 13-E

13-E. Claims and Insurance

Disclosure of claims

NONE